

A DC-10 Is Missing With 170

Contact Is Lost With UTA Flight After Chad Stop

PARIS — A DC-10 passenger aircraft with 170 people on board on a flight from the Congo to Paris disappeared Tuesday after taking off from a stopover in Chad, the French airline UTA said.

UTA Flight 772 was carrying 155 passengers and a crew of 15. The last radio contact between the plane and air traffic controllers occurred 40 to 50 minutes after leaving the airport at N'Djamena, Chad, and indicated everything was normal, the airline said.

UTA said that would be enough flight time to take the plane over the border into neighboring Niger. The airline said it believed the search focused on Niger, along the path the plane would have taken, and could involve military forces from Chad, Niger and France, which has a small force in Chad.

There was no unusual weather in the area, the airline said. The flight originated in Brazzaville, Congo. The flight left N'Djamena at 1:13 P.M. and should have arrived at Charles de Gaulle-Roissy International Airport at 7:15 P.M.

Among the passengers was Bonnie Pugh, wife of the U.S. ambassador to Chad, Robert L. Pugh, according to Robert Ayling, the deputy chief of mission, reached by telephone in N'Djamena.

He said information was sketchy, but that it appeared a full-scale search would have to wait until daylight Wednesday morning. The French news agency Agence France-Press, quoting unidentified sources, said the Chadian planning minister, Mahamat Soumaila, was also on the plane, headed for the annual meeting of the International Monetary Fund in Washington, D.C.

The report was not confirmed, and UTA did not immediately issue a passenger list.

The French Navy dispatched a Dassault-Breguet Atlantique patrol aircraft from Dakar, Senegal, to join the search, the Defense Ministry said.

The aircraft, purchased by UTA in 1973, has logged 60,000 hours in the air.

Northern Chad was long the scene of battles between government forces and Libyan-backed rebels.

See DC-10, Page 2

Kiosk

Burkina Faso Kills 4 Plotters

ABIDJAN, Ivory Coast (AP) — Four leaders of a failed coup in Burkina Faso, including two deputies of President Blaise Compaore, were executed after security agents discovered their plot, the official Agence Burkinabe de Presse said Tuesday.

A government spokesman said that the defense minister, Major Jean-Baptiste Bonkary Lingani, and the minister of economic promotion, Captain Henri Zongo, had been executed along with two other military personnel involved in the plot.



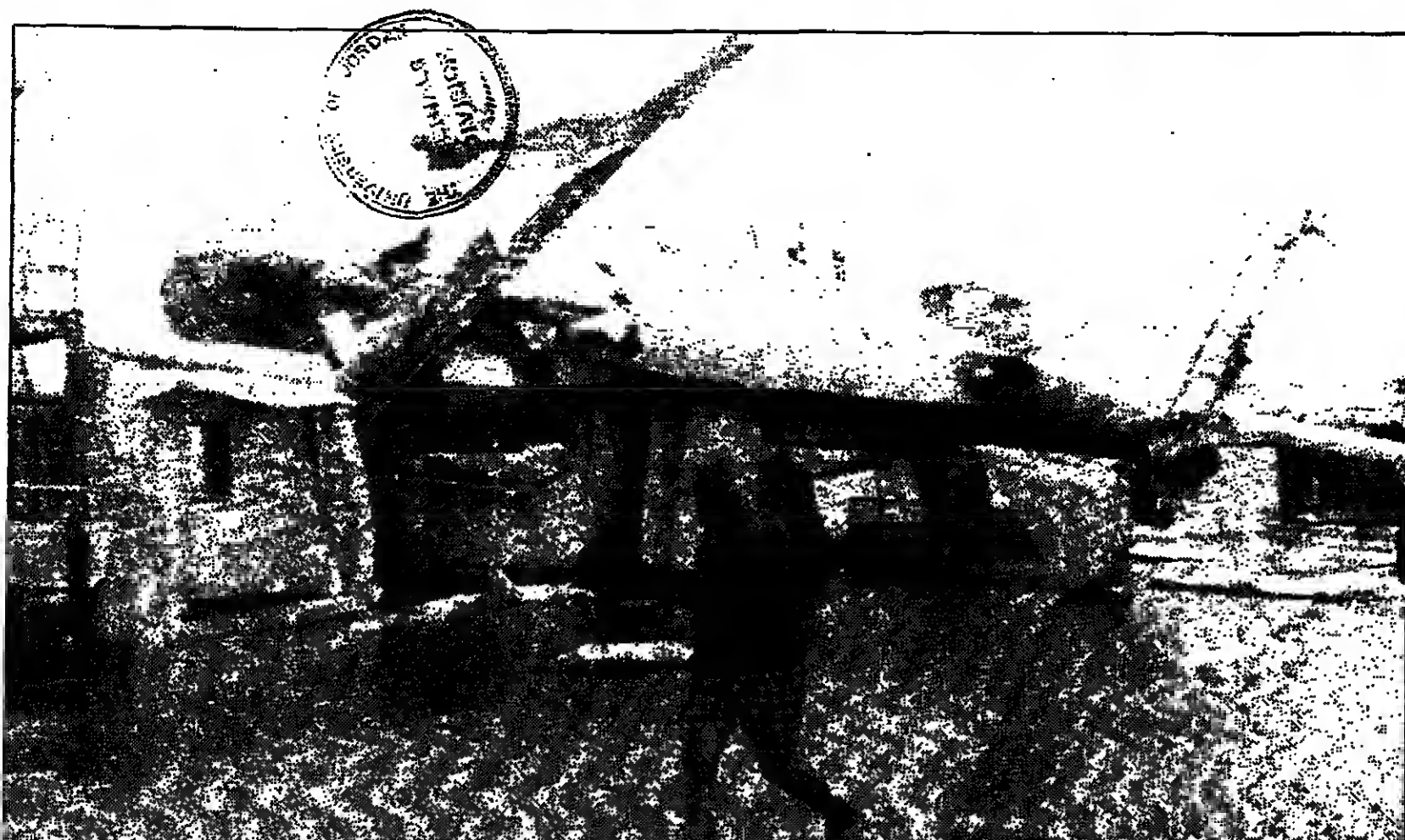
President Virgilio Barco Vargas of Colombia appears to be preparing for a long war against the major drug traffickers. Page 2.

Sports
The America's Cup was won last night by the San Diego yacht in 1988, a New York appeals court ruled Tuesday. Page 21.

Business/Finance
Wellcome PLC said it cut the cost of its anti-AIDS drug, AZT, chiefly for economic reasons. Page 13.

Weather Page 2.
Crossword Page 6.

The Dollar in New York	
Down	DM 1.9548
Close	Pound 1.57
0.19	Yen 148.00
	FF 6.6035



A local resident walking past the wreckage of an airplane sitting on top of the San Juan airport in Puerto Rico after a hurricane devastated the island.

Destructive Hurricane Could Threaten U.S. Coast

Compiled by Our Staff From Dispatches

MIAMI — The northern Caribbean's mightiest hurricane in a decade moved past the Bahamas on Tuesday on an uncertain path that threatened to hit an area on the U.S. East Coast from Florida to North Carolina by Friday.

Disaster teams found death and destruction in Puerto Rico and a string of Caribbean resort islands devastated by the hurricane, designated Hugo.

More than 50,000 people were homeless, and military planes ferried radios, drinking water, generators, chainsaws and other equipment to stricken areas that pleaded for more help.

The hurricane's itinerary included some of the most idyllic islands in a 750-mile (1,200-kilometer) long chain in the northeastern Caribbean, beginning early Sunday with the French resort of Guadeloupe.

Also damaged were Montserrat, Antigua, St. Kitts and Nevis, Anguilla, the British Virgin Islands, the U.S. Virgin Islands of St. Croix and St. Thomas and Puerto Rico.

The storm has left at least 15 dead and more than 100 injured, but death reports varied widely. One Puerto Rican official reported that at least 25 persons had died in Puerto Rico and the West Indies since Sunday.

Other unconfirmed reports from ham radio operators and other sources indicated the death toll in the islands might rise to three dozen.

"Whole buildings just picked up and left," said James Grissim, a resident of Water Island in St. Thomas. He recalled "sheet metal roofing flying through the air, singing as it went, and the sound of glass breaking all over the place."

Hurricane warnings were downgraded Tuesday to storm warnings for the southern Bahamas as the hurricane skirted past, but the Bahamian government issued warnings for the central islands of the archipelago. Islanders boarded up their homes as a precaution.

The storm had maximum sustained winds of 105 mph and was moving northwest at 12 mph, forecasters said. But the storm was reorganizing over open seas where warm tropical air fueled its engine, and forecasters expected fluctuations in strength.

Forecasters said that it would probably hit the U.S. East Coast later in the week but that it was too early to predict exactly where.

The hurricane could affect Florida by Friday, forecasters said. They added, however, that it could also miss the United States entirely.

"It's a long way from any potential landfall," said Bob Sheets, director of the National Hurricane Center in suburban Coral Gables.

"Unfortunately, the higher likelihood is that it will turn more west and could make landfall anywhere from South Florida to North Carolina."

The hurricane hit northeastern Puerto Rico on Monday and then skirted its populous northern coast. It went northwest toward open water, missing the Dominican Republic.

Ron Walker, a spokesman for Puerto Rico's resident commissioner in Washington, said the hurricane caused the worst damage to property in Puerto Rico, a U.S. commonwealth with a population of 3.3 million, in half a century, probably leaving tens of thousands of people homeless. (AP, UP)

Ford, Seeking Prestige, Plans to Buy 15% Stake in Jaguar

By Warren Brown

Washington Post Service

WASHINGTON — Ford Motor Co., in quest of prestige by acquisition, on Tuesday announced its intention to buy a 15 percent stake in Jaguar PLC, the famed British maker of luxury cars.

In return for the "halo" effect of becoming associated with one of the world's most renowned, high-image automobiles, the U.S. carmaker will offer the financially shaky Jaguar stability and marketing muscle, Ford officials said.

A Jaguar spokesman said the Coventry-based company was notified of Ford's plans Tuesday and would not comment until its board discussed the matter. The Associated Press reported from London.

"It has always been our desire to maintain our independence," the spokesman said, but noted that Jaguar has held out the possibility of collaborating with a carmaker.

Jaguar stock jumped after the announcement, closing 63 pence (99 cents) higher at 465 pence on the London Stock Exchange.

Ford's bid for a piece of Jaguar is in keeping with a trend by U.S. automakers to burnish their images and improve their global market standing by buying into prestigious European companies.

Ford already owns a stake in Aston-Martin of Britain and is "in continuing discussions" with Sweden's Saab-Scania AB to buy that company's Saab Car division.

The talks with Saab would not be affected by Ford's decision to seek Jaguar shares, Ford officials said.

Chrysler Corp. in 1986 bought the Italian automaker Lamborghini S.p.A. and has collaborated with Maserati of Italy to launch the two-

seat Chrysler TC sports car. Also that year, General Motors Corp., the biggest U.S. car company, bought Britain's Group Lotus.

All the U.S. car companies have extensive dealings with Asian automakers, who supply them with mostly small, fuel-efficient vehicles.

Jaguar, formerly owned by the British government, was returned to the private sector in 1984. However, the government retains a "golden share" in the company, which limits single outside shareholdings to 14.9 percent. That arrangement is due to end next year.

The United States is Jaguar's second-largest market after Britain. But Jaguar's U.S. fortunes, like those of other luxury European automakers, are threatened by the arrival this year of high-end automobiles from Toyota Motor Co. and Nissan Motor Co. of Japan.

Jaguar is seeking to counter the Japanese by offering an "economy" version of its XJ6 model, which currently sells for about \$44,000.

U.S. Lifts Demand for Mobile Missile Ban

Compiled by Our Staff From Dispatches

WASHINGTON — Secretary of State James A. Baker 3d said Tuesday in his first press conference at the State Department since taking office in January.

With Congress being asked to finance development of the single-warhead Midgetman, Mr. Baker acknowledged that the U.S. negotiating position has been confusing. He said his aim was "to start the ball rolling" in the slow-moving talks in Geneva to reduce U.S. and Soviet nuclear bombers, submarines and missiles by 30 percent to 50 percent.

Still, the move is of limited significance. The United States had long taken the position that the ban would be lifted after methods were devised to keep track of each other's mobile missiles.

Mr. Baker predicted progress in several areas in talks with Mr. Shevardnadze and rejected complaints that the administration was acting timidly toward change in the Soviet Union and Eastern Europe.

Mr. Shevardnadze has made it clear that he wants to confer with Mr. Baker on scheduling a summit meeting between President Mikhail S. Gorbachev and President George Bush. Mr. Baker said he expected a full discussion of this topic when the two ministers met in Jackson Hole, Wyoming, on Friday and Saturday.

But Mr. Baker refused to say if he was prepared to set a date, reinforcing signals from the White House that the administration was in no hurry for a such a meeting.

The secretary of state also predicted "progress across a broad front of other arms-control issues at this forthcoming ministerial" and said the U.S. side would offer proposals designed to break the 15-

year deadlock that could free up two nuclear testing treaties for Senate ratification next year.

He said there was a reasonable chance that the two days of talks would produce agreement on exchanging data on chemical weapons stocks.

(Reuters, AFP, AP)

Efforts on Troop Cuts
NATO allies renewed efforts on Tuesday to solve U.S.-European differences on proposals they will present to East-West talks on reducing troops and military hardware in Europe, Reuters reported from Brussels.

Diplomats said military officials from the 16 states, who met at NATO headquarters, would strive to agree how to make a conventional arms treaty verifiable against cheating.

Gorbachev Advances Party Congress Date

By Michael Dobbs

Washington Post Service

MOSCOW — President Mikhail S. Gorbachev said Tuesday that the supreme body of the ruling Communist Party, a party congress, would meet ahead of schedule next year to adopt a new platform, constitution and leadership.

Addressing the policy-making Central Committee, Mr. Gorbachev also called for "resolute measures" to counteract rising ethnic strife and moves toward outright secession from the Soviet Union by some nationalist groups.

He warned that the authorities were ready to use all means "legally available" — presumably including a state of emergency — to prevent further incitement to unrest.

The decision to hold the congress in October 1990, at least five months ahead of schedule, follows weeks of intensive debate about the party's role in Soviet society. Mr. Gorbachev and other progressives have suggested that the party is in danger of losing its "leading role" because of the conservatism and inertia of its vast bureaucracy.

In his speech, Mr. Gorbachev said that preparations for the party congress were well advanced.

See SOVIET, Page 6

Vatican Moves to End Feud

Church Supports Agreement With Jews on Convent

By Jennifer Parmelee

VATICAN CITY — The Vatican, striving to defuse a feud with the Jewish community over the presence of Carmelite nuns at a former Nazi death camp in Poland, said Tuesday it would help pay for an interfaith center to house the nuns away from the camp.

The carefully worded communiqué appeared to balance the need to respond to angry calls from Jewish leaders and others for Vatican intercession in the long-simmering Auschwitz affair and Pope John Paul II's own insistence that the issue be handled by the local church.

A high Vatican source said the statement was "a victory" for those seeking fulfillment of a 1987 Jewish-Catholic accord on moving the convent.

The Vatican communiqué said it had "positively received" a Sept. 6 offer by Polish bishops to move forward with plans for the interfaith center and relocate the nuns there, as called for in the 1987 agreement.

It said that "the Holy See is convinced that such a center would contribute in an important way to the development of good relations between Christians and Jews." The statement was signed by Cardinal Johannes Willebrands, head of the Vatican's Commission on Religious Relations with Judaism.

"Toward the realization of this important but expensive project, the Holy See is disposed to offer its financial support," the statement added.

The Reverend Pier Francesco Fumagalli, secretary of the Willebrands commission, said he expected that the 1987 agreement would be honored. But he added, "I can't foresee what will happen in Poland."

He said the questions of exactly where, when and how the prayer center would be built were being left to Polish church officials.

The conflict over the Carmelite convent at Auschwitz, heated to a boiling point this summer by the actions of Jewish activists at the camp and by the words of Poland's top church official, has severely strained Catholic-Jewish relations.

It has also produced an unusually public display of dissension among Catholic cardinals. Last weekend, for instance, Cardinal John J. O'Connor, archbishop of New York, said he supported Jewish efforts to move the nuns.

In February 1987, five Jewish leaders signed an agreement in Geneva with four Roman Catholic cardinals calling for the removal of 17 Carmelite nuns from the warehouse where deadly gas once used to kill prisoners was stored. But the deadline for moving the nuns, Feb. 22, passed without any action.

Critics say the convent, as well as a 23-foot (7-meter) cross erected outside the camp fence, offends the memory of those who were murdered there.

Of the 4 million inmates of Auschwitz-Birkenau during World War II, 2.5 million were Jews and 1.5 million were Christians.

In July, seven militant Jews, outraged by the Catholic Church's failure to meet the deadline, sealed the convent's walls, angering Polish workers who evicted them.

The following month, the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

"Who do the nuns offend by praying next to the wall of the concentration camp?" he asked, echoing the sentiments of many Poles.

Cardinal Glemp also said the Polish primate, Cardinal Józef Glemp, accused Jews of intolerance and arrogance, and said it would be a "scandal" to move the nuns away.

Colombia Prepares for a Long Fight Against Drugs

By James Brooke
New York Times Service

BOGOTÁ—A month after the murder of a presidential candidate here unleashed Colombia's attack on cocaine rings, President Virgilio Barco Vargas appears to be preparing for a long war against the major drug traffickers.

Breaking the pattern of previous, short-lived crackdowns, the Colombian government has arrayed its weapons for a prolonged fight: seizing ranches and planes, freezing bank accounts, extraditing drug suspects to the United States and placing the headquarters of drug rings under military control.

But many narcotics experts fear that without major successes, public support will begin to drift. Already, political figures are sniping at the drug war.

A presidential candidate for the ruling Liberal Party said recently, "The measures adopted in the United States do not satisfy us: educational videos in the United States, bombers for Colombia, persuasive chats in the consuming centers and helicopters for Colombia."

The outcome is far from certain in a contest that pits a democratically elected government of a developing nation against drug merchants.

The traffickers, the source of 80 percent of the world's cocaine, have on their side vast

wealth, private armies and a predilection for terror and bribery that has intimidated or corrupted courts. Congress and much of the press.

But Mr. Barco has overwhelming public support and two new allies—the army and the United States.

"The drug traffickers have been really hurt this time," said Guy Gugliotta, who co-wrote with Jeff Leen a history of the Medellín drug ring, "Kings of Cocaine."

"The traffickers have been hurt in the pocketbook," Mr. Gugliotta said. "The government has taken away their toys, their land, their ability to be rich and have fun."

Since the Aug. 18 murder of the politician, Luis Carlos Galán, 335 persons have been arrested and charged and more than 10,000 have been detained and later released.

For the first time in two years, a drug suspect has been extradited to the United States, and two more are awaiting extradition.

For the first time in five years, the wholesale price for cocaine in Miami is rising. Since the crackdown started, the price rose to \$18,000 a kilogram, from \$11,000.

During past crackdowns, the traffickers have turned to Colombia's rebel groups to rent a fireproof.

In 1985, the traffickers are believed to have hired the April 19 Movement, or M-19, the second largest guerrilla group in Colombia.

But the M-19, which is about to conclude a peace agreement with the government, is no longer for hire.

And the largest rebel group, the Colombian Revolutionary Armed Forces, is feuding with the traffickers.

Only one of the leftist rebel armies, the National Liberation Army, is not conducting peace talks with the government.

On Thursday, the army reported the arrest in Medellín of 28 members of the National Liberation Army "who worked in the service of drug traffickers."

While Colombia grows about 15 percent of the world's coca leaf, its major role is processing cocaine base made from high-grade leaves grown in Bolivia and Peru.

The police efforts have largely focused on hindering production by seizing chemicals used for refining the coca base into cocaine powder.

Government officials have not explained why the security forces have not heavily hit laboratories and plantations in the first month of the current crackdown.

Corruption in the police and army may explain why the 12 most wanted traffickers have slipped away and why major laboratories have not been destroyed, the U.S. narcotics experts say.

The "Medellín cartel" has fought back with violence. In the last four weeks, the toll from terror has been 13 dead, 140 injured

and millions of dollars in damage. In all, 52 bombs have been exploded.

The terrorists have mostly hit banks, restaurants, ranches and shops owned by wealthy and politically influential Colombians.

Fifteen years ago, U.S. anti-narcotics aid amounted to \$45,000. Days after the Aug. 18 assassination, Mr. Bush ordered \$65 million in emergency aid to Colombia.

In Colombia, Peru and Bolivia, U.S. officials said, there now were 50 to 100 U.S. military officers, but that number was expected to grow.

Some of the narcotics experts say that the traffickers have lost some credibility by not following through on threats to wage war on the government or to kill 10 judges for every Colombian extradited to the United States.

But the traffickers have won few friends with their policy of terrorism. Six months ago, 63 percent of Colombians polled opposed sending their countrymen to face trial in U.S. courts. In late August, 77 percent of those polled by the newspaper El Tiempo backed extradition.

By October, the Supreme Court must rule on the constitutionality of Mr. Barco's decrees. If they are found to be unconstitutional, all property seized from drug dealers since Aug. 18 must be returned.

In recent years, the traffickers killed about a dozen Supreme Court judges.

Bogotá Issues Order For Arrest Of 2 Israelis

The Associated Press

BOGOTÁ—A Colombian judge has ordered arrest warrants for a former Israeli Army colonel and an Israeli civilian alleged to have trained murder squads for the Colombian drug rings, officials said Tuesday.

A spokeswoman for the Department of Security said a Circuit Court judge issued the order Monday and it was passed to Interpol, the global police organization.

The arrest order for Yair Klein, a reserve lieutenant colonel in the Israeli Army, occurred a month after the Colombian news media reported he and others trained gunmen for the cocaine rings.

Drug traffickers have used their private armies to kill more than 1,000 Colombian leftists in the last four years. The drug lords are also waging a war with the government.

Colonel Klein, at home in Tel Aviv, said he trained Colombian farmers to protect themselves against guerrillas. He said that if the men trained were involved in drugs he was not aware of that.

He was the subject of a police investigation in Israel along with five other Israelis suspected of training gunmen for the drug lords. The investigation was completed Sept. 8 but the police have not disclosed their findings and the colonel has not been charged.

In Jerusalem, a Foreign Ministry official said Israel had no extradition treaty with Colombia. He added that Israel had received no communications from Colombia regarding charges against Israelis.

The Colombian spokeswoman, Diva Rojas, said a second warrant was issued for Ariel Aek, another Israeli whom she said helped Colonel Klein leave Colombia. She identified Mr. Aek as a civilian who had an arms business in Israel and flower shops in the United States.

"They are wanted for violating laws against conspiring, teaching and enlisting civilians in military operations without the approval of the Defense Ministry," she said.

She added the two are believed to have entered Colombia in August last year and to have left earlier this year after reports surfaced of foreign mercenaries training murder squads for the Medellín and Cali drug rings.

Reached in Tel Aviv, Colonel Klein said: "I didn't flee Colombia, I left legally, with an exit stamp on my passport."

Colonel Klein identified Mr. Aek as a friend who helped him with Spanish translation in Colombia.

Airstrip Destroyed
Police rangers flown by American helicopters operating from a new, U.S.-built anti-narcotics base in the eastern jungle destroyed on Monday a clandestine airstrip used by Colombian cocaine smugglers, The Associated Press reported from Santa Lucia, Peru.

The raid was led by General Juan Zarate, chief of the anti-drug police force, and was witnessed by the first group of journalists allowed onto the Santa Lucia base since it began operating Sept. 8.

The raid occurred on the same day the Pentagon announced it was widening its involvement in the war on drugs, but would limit troops abroad to training foreign forces in base camps.

WORLD BRIEFS

Czechoslovak Security Slows Exodus

BUDAPEST (Reuters)—Increased border security by Czechoslovakia has reduced the number of East German refugees reaching Hungary on their way to the West, transit camp officials in Budapest said Tuesday.

Beatrix Schönburg, a West German official at the camp, quoted a refugee who arrived Tuesday as saying that there was a guard every 100 meters. She said that the biggest problems were rivers but that would be crossing the border illegally by swimming rivers but that would be "messed about" by Czechoslovak border guards.

West Germany said Tuesday that it would close its Warsaw embassy to the public beginning Wednesday because it had become overcrowded with East German refugees. Bonn closed its missions in East Berlin, Prague and Budapest in August for the same reason.

Poland-EC Economic Accord Signed

WARSAW (AP)—Poland and the European Community signed an economic cooperation agreement Tuesday intended to help Warsaw's non-Communist government shift toward a market-oriented economy.

Foreign Trade Minister Marcin Swiechowski called the accord, which covers industry, agriculture and trade, a "condition" for political and economic changes in Poland, and landed it as a "first example of the normalization of economic relations."

The agreement covers industrial sectors from petrochemicals and shipbuilding to food processing and tourism. It liberalizes restrictions, including tariffs and quotas, that have limited trade between Poland and the 12-member group. The EC has also put together a \$120-million dollar food aid package to help Poland overcome shortages and social discontent while it battles inflation set at 40 percent for August.

Rabin Briefs Shamir on Egypt Visit

JERUSALEM (AP)—Prime Minister Yitzhak Rabin and Defense Minister Yitzhak Rabin met Tuesday to discuss Mr. Rabin's trip to Egypt, and the two main government parties they represent appeared locked in a dispute over Egypt's plan to sponsor Israeli-Palestinian peace talks.

Mr. Rabin left Mr. Shamir's office without speaking to reporters after an hour-long meeting. Mr. Shamir's spokesman refused to divulge details of the meeting but repeated Mr. Shamir's remark Monday that he could not maintain the coalition between his rightist Likud bloc and the center-left Labor Party "at any price."

Black May Lead U.S. Foreign Service

WASHINGTON (UPI)—The Senate Foreign Relations Committee approved the nomination Tuesday of Edward J. Perkins as director general of the Foreign Service. If confirmed by the entire Senate, he would be the first black to hold the post.

Mr. Perkins, 61, is a career diplomat who previously served as ambassador to South Africa, becoming the first black in the U.S. Foreign Service to hold the post in that country. In his new post, he would serve as the State Department personnel director.

Other nominations sent to the full Senate for confirmation were William A. Brown as ambassador to Israel; Mark Hambley as ambassador to Qatar; James Cheek as ambassador to Sudan; Lannon Walker as ambassador to Nigeria; Johnny Young as ambassador to Sierra Leone; Richard Boehm as ambassador to Oman; Thomas Dawson as executive director of the International Monetary Fund; and Warren Lavorel as coordinator of the Multilateral Trade Negotiations.

Kaifu Seeks to Alter Election System

TOKYO (Reuters)—Prime Minister Toshiki Kaifu has asked a government committee charged with cleaning up Japanese politics to recommend changes to the electoral system, a government spokesman said Tuesday.

Mr. Kaifu's governing Liberal Democratic Party lost control of the upper house of the Diet, or legislature, for the first time in 34 years in a July election that was overshadowed by influence-peddling and sex scandals.

Seoul Students Protest Quayle Visit

SEOUL (AP)—Vice President Dan Quayle met Tuesday with Prime Minister Kang Young Hoon while hundreds of student radicals held rallies denouncing the South Korean government and the United States.

Mr. Quayle praised the recent democratic changes in South Korea, but he asked Mr. Kang why political violence continued, a South Korean official said. The official said that Mr. Kang replied that it was because the Korean people still had little experience with democracy and tended to shun compromise and stick to a "logic of choosing between black and white."

Files of Housing Inquiry Reviewed

WASHINGTON (AP)—The Justice Department announced Tuesday that its criminal division was reviewing records of the long-running congressional investigation into influence peddling at the Department of Housing and Urban Development.

The chief spokesman of the department, David Runkel, said that the review began earlier this summer and was being conducted by the fraud and public integrity sections of the criminal division.

A House subcommittee has heard reports of influence peddling, aimed at obtaining high-level approval of federal financing for development projects, during the Reagan administration. The panel has also heard testimony about the role of the former housing secretary, Samuel R. Pierce Jr., in the awarding of federal housing grants.

Encyclopaedia Britannica on a Disk

NEW YORK (UPI)—Encyclopaedia Britannica unveiled a compact disk Tuesday on which its entire 26-volume edition is stored with right, sound and animated illustrations.

The disk operates on IBM-AT and IBM-PS/2 model 30 personal computers, as well as on the compatible Tandy Model 1000 TL. Compatible CD-ROM drives include the Sony CDV-100, Hitachi and Amdek.

The disk will be available to the public Oct. 1 in a networked version practical for only libraries and schools, the company said. A stand-alone version for home use is scheduled for the market Jan. 1 and will be priced about \$895.

TRAVEL UPDATE

Scandinavian Airlines System, SAS, said in Stockholm it would start regular flights between Stockholm and the Estonian capital, Tallinn, perhaps before the end of this year.

Transport officials plan to use martial arts fighters in a crackdown on crime on the underground Metro system in Paris. About 60 agents will begin patrols by December if the plan gets final approval.

Flight attendants at TAP-Air Portugal have called a one-day strike for Thursday, the second in less than a week.

WEATHER

EUROPE				ASIA			
	HIGH	LOW			HIGH	LOW	
Amsterdam	17	13	C	Bangkok	33	27	F
Athens	20	16	C	Beijing	23	17	F
Berlin	17	13	C	Hong Kong	30	24	F
Bombay	28	22	F	Kobe	23	17	F
Buenos Aires	20	16	C	Manila	30	24	F
Calcutta	28	22	F	New Delhi	30	24	F
Canton	28	22	F	Shanghai	23	17	F
Cebu	28	22	F	Singapore	30	24	F
Colon	28	22	F	Taipei	30	24	F
Dacca	28	22	F	Tokyo	23	17	F
Dakar	28	22	F				
Dhaka	28	22	F	AFRICA			
Disse	28	22	F	Algiers	30	24	F
Durban	28	22	F	Cairo	30	24	F
Geneva	17	13	C	Conakry	30	24	F
Hankow	28	22	F	Harare	30	24	F
Hong Kong	28	22	F	Lima	30	24	F
Huamantla	28	22	F	Managua	30	24	F
Istanbul	17	13	C	Medan	28	22	F
Kobe	23	17	F	Montevideo	30	24	F
Kuala Lumpur	28	22	F	Nairobi	30	24	F
London	17	13	C	Rangoon	30	24	F
Los Angeles	28	22	F	San Jose	30	24	F
Lyons	17	13	C	Sao Paulo	30	24	F
Madrid	17	13	C	Seoul	23	17	F
Mannheim	17	13	C	Singapore	30	24	F
Manila	30	24	F	Taipei	30	24	F
Maracaibo	28	22	F	Tokyo	23	17	F
Medan	28	22	F				
Medellin	28	22	F	LATIN AMERICA			
Memphis	17	13	C	Buenos Aires	30	24	F
Mexico City	28	22	F	Lima	30	24	F
Montevideo	30	24	F	Managua	30	24	F
Moscow	17	13	C	Medan	28	22	F
Mumbai	28	22	F	Montevideo	30	24	F
Nairobi	30	24	F	Nairobi	30	24	F
San Jose	30	24	F	Rangoon	30	24	F
Sao Paulo	30	24	F	San Jose	30	24	F
Seoul	23	17	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	NORTH AMERICA			
Singapore	30	24	F	Albany	28	22	F
Singapore	30	24	F	Albuquerque	28	22	F
Singapore	30	24	F	Chicago	28	22	F
Singapore	30	24	F	Denver	28	22	F
Singapore	30	24	F	Detroit	28	22	F
Singapore	30	24	F	Houston	28	22	F
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	MIDDLE EAST			
Singapore	30	24	F	Amman	28	22	F
Singapore	30	24	F	Baghdad	28	22	F
Singapore	30	24	F	Cairo	30	24	F
Singapore	30	24	F	Damascus	28	22	F
Singapore	30	24	F	Dehli	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Lyons	17	13	C
Singapore	30	24	F	Madrid	17	13	C
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Medellin	28	22	F
Singapore	30	24	F	Memphis	17	13	C
Singapore	30	24	F	Mexico City	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Moscow	17	13	C
Singapore	30	24	F	Mumbai	28	22	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	OCEANIA			
Singapore	30	24	F	Auckland	28	22	F
Singapore	30	24	F	Brisbane	28	22	F
Singapore	30	24	F	Canberra	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Lyons	17	13	C
Singapore	30	24	F	Madrid	17	13	C
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Medellin	28	22	F
Singapore	30	24	F	Memphis	17	13	C
Singapore	30	24	F	Mexico City	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Moscow	17	13	C
Singapore	30	24	F	Mumbai	28	22	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	MIDDLE EAST			
Singapore	30	24	F	Amman	28	22	F
Singapore	30	24	F	Baghdad	28	22	F
Singapore	30	24	F	Cairo	30	24	F
Singapore	30	24	F	Damascus	28	22	F
Singapore	30	24	F	Dehli	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Lyons	17	13	C
Singapore	30	24	F	Madrid	17	13	C
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Medellin	28	22	F
Singapore	30	24	F	Memphis	17	13	C
Singapore	30	24	F	Mexico City	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Moscow	17	13	C
Singapore	30	24	F	Mumbai	28	22	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	OCEANIA			
Singapore	30	24	F	Auckland	28	22	F
Singapore	30	24	F	Brisbane	28	22	F
Singapore	30	24	F	Canberra	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Lyons	17	13	C
Singapore	30	24	F	Madrid	17	13	C
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Medellin	28	22	F
Singapore	30	24	F	Memphis	17	13	C
Singapore	30	24	F	Mexico City	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Moscow	17	13	C
Singapore	30	24	F	Mumbai	28	22	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	MIDDLE EAST			
Singapore	30	24	F	Amman	28	22	F
Singapore	30	24	F	Baghdad	28	22	F
Singapore	30	24	F	Cairo	30	24	F
Singapore	30	24	F	Damascus	28	22	F
Singapore	30	24	F	Dehli	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30	24	F	Los Angeles	28	22	F
Singapore	30	24	F	Lyons	17	13	C
Singapore	30	24	F	Madrid	17	13	C
Singapore	30	24	F	Manila	30	24	F
Singapore	30	24	F	Medan	28	22	F
Singapore	30	24	F	Medellin	28	22	F
Singapore	30	24	F	Memphis	17	13	C
Singapore	30	24	F	Mexico City	28	22	F
Singapore	30	24	F	Montevideo	30	24	F
Singapore	30	24	F	Moscow	17	13	C
Singapore	30	24	F	Mumbai	28	22	F
Singapore	30	24	F	Nairobi	30	24	F
Singapore	30	24	F	Rangoon	30	24	F
Singapore	30	24	F	San Jose	30	24	F
Singapore	30	24	F	Sao Paulo	30	24	F
Singapore	30	24	F	Seoul	23	17	F
Singapore	30	24	F	Singapore	30	24	F
Singapore	30	24	F	Taipei	30	24	F
Singapore	30	24	F	Tokyo	23	17	F
Singapore	30	24	F				
Singapore	30	24	F	OCEANIA			
Singapore	30	24	F	Auckland	28	22	F
Singapore	30	24	F	Brisbane	28	22	F
Singapore	30	24	F	Canberra	28	22	F
Singapore	30	24	F	Hankow	28	22	F
Singapore	30	24	F	Hong Kong	28	22	F
Singapore	30	24	F	Kobe	23	17	F
Singapore	30	24	F	Kuala Lumpur	28	22	F
Singapore	30	24	F	London	17	13	C
Singapore	30						

Why risk managers stay with the Chicago Mercantile Exchange.

Year after year, more and more risk managers bring their business to the Chicago Mercantile Exchange.

Through good times and bad, through crashes and controversies, they keep this market growing. Up 40% over the past three years. Up 105% over the past five years. Up 38% so far this year.

These are the people whose companies, whose careers, whose professional reputations are directly affected by an exchange's performance. In the Chicago Mercantile Exchange, they find three things: A cost-effective way to manage risk. Fair prices that accurately reflect world prices, moment-by-moment. And a willingness to innovate—to keep on improving the trading environment, year after year.

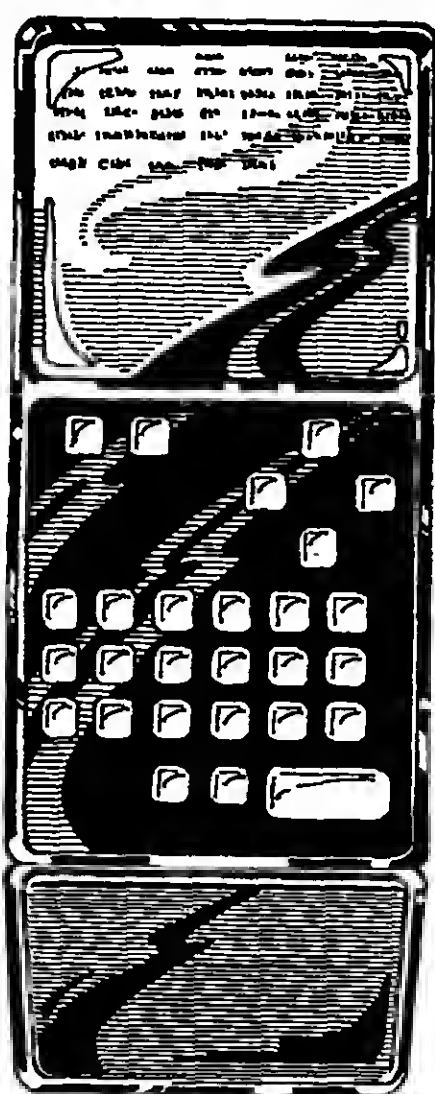
Right now, a comprehensive series of improvements is underway. They're designed to increase the precision with which orders are filled—to increase the accountability of brokers to their customers. They will make the CME—already one of the most rigorously regulated futures exchanges in the world—more rigorous still.

Dual traders—floor brokers who trade both for a customer and for their own account—would not be permitted except in markets when time-recording accuracy is so high as to eliminate the concerns of regulators.

GLOBEX, the electronic trading system now being launched by the CME and Reuters, will let risk managers access our markets around the world, around the clock. With a precise second-by-second audit trail of every GLOBEX transaction.

New floor surveillance systems, new enforcement systems—and the strictest sanctions against trading violations of any exchange in the world—will demonstrate the CME's commitment to keeping the confidence of risk managers worldwide.

The next step: instant trade-recording technology in the hands of every trader on the floor. A new precision in trade-tracking



is the goal of this revolutionary new system. Called "AUDIT"—Automated Data Input Terminal—the system's handheld terminal will create an unimpeachable audit trail for every transaction. *Without* interfering with the speed of open-outcry trading. The Chicago Mercantile Exchange and the Chicago Board of Trade are contributing a total of five million dollars to develop this and other trade-recording technology.

Risk managers who stay with the Chicago Mercantile Exchange have made us one of the biggest and the most diversified financial futures and options exchanges in the world. We have never stopped growing because we have never stopped working to earn their confidence. And we never will.



**CHICAGO
MERCANTILE
EXCHANGE®**

Herald Tribune

Published With The New York Times and The Washington Post

Mubarak Needs a Boost

Egypt is trying to prod Israel and the Palestinians into peace talks. It is lonely work. The Europeans long ago opted out of useful Middle East diplomacy. Most other Arabs are distracted these days by Lebanon and the conflicts in the Arab world it symbolizes. The Soviet Union contemplates a mediator's role, but has yet to make the essential step of resuming formal relations with Israel. Washington is currently taken with a notion of its own "frankly diminished capacity to influence events," and slides away from open political risk-taking in this and other regional quarters.

That leaves Cairo. President Hosni Mubarak's "10 points" seek to draw Israelis and Palestinians aboard the lone diplomatic vehicle in even faint motion, the proposal for West Bank-Gaza elections that Prime Minister Yitzhak Rabin put forward in the spring. Both Palestinians and Israelis have held back, the former suspecting the plan will not lead them to a West Bank homeland or state, the latter fearing it will. Mr. Mubarak's tactic is to draw in the moderates. On Monday he signed up, kind of, Defense Minister Yitzhak Rabin, who, incredibly, does not speak for his prime minister. Mr. Mubarak is to continue his campaign at the United Nations later this month.

The Palestinian uprising pushed the PLO

into the avowals on Israel and terrorism that led to a dialogue with Washington. But the intifada may be spent as a source of political leverage; its most conspicuous victims now are Palestinian "collaborators" murdered by Palestinians. The PLO chairman, Yasser Arafat, sends to Washington signals of readiness for accommodation that he hesitates to make to his own people. His equivocation plays into the hands of the Israeli element that leans to annexation—an element that includes, on most days, Mr. Shamir.

The United States works mostly behind the scenes. Reserve spares Washington immediate embarrassment and puts a necessary burden of choice on others. Still, the disproportion is striking. Israelis and Palestinians are being asked to take immense chances with their whole future. American foreheads wrinkle at the thought that Mr. Arafat will ask for a visa to visit the United Nations. On this tactical question at least, there should be no hesitation: If granting a visa will help along the Mubarak initiative, grant it. Some forceful American help on the initiative's current sticking point—the Palestinians' demand, and Israel's refusal, to put Palestinians from outside the West Bank on a delegation the Israelis would meet in Cairo—could help even more.

—THE WASHINGTON POST.

Hungary Merits More Aid

Four months ago Hungary ripped a hole in its section of the Iron Curtain. Now, more dramatically, it gives East Germans safe passage to the West. Hungary deserves America's salute—and more. The announcement this week that the Bush administration hopes to grant Hungary new trade status is a timely step in the right direction.

Many of the East Germans fleeing to the West are skilled young workers who went to Hungary on holiday visas issued by the East German government. They encamped on Hungary's border with Austria, hoping to go to West Germany. After informing Moscow and Washington, Hungary let them go.

Their arrival in West Germany is reason to rejoice and reflect. In finding a new home they have also breached old boundaries, intellectual and geographic.

For one thing, the exodus challenges East Germany's faith in its own brand of socialism. Enfeebled, insecure, increasingly absorbed in a succession struggle, the East German regime believed its "economic miracle" would shelter it against political winds. Why deny some of its most efficient workers well-earned holidays?

The exodus also further undermines the notion of a monolithic East bloc. When the vacationers took flight, East Germany attacked its ally for treaty violations. Hungary defended itself by invoking not the Warsaw Pact but the Helsinki accords. And

when Hungary approached Moscow, it was reassured that this was its own internal affair. Moscow's message to East Germany was clear, too: Get in time with the times.

Finally, the exodus exposed contradictions in the recurrent German dream of reunification. West German employers hurried to the border to hire the new arrivals. But some West German workers expressed fears that their East German brethren would take away jobs.

Nor does the exodus begin the reunification of the German states. It is a reunion of German people—mostly going one way. The economic attraction of the West has had much to do with the workers' flight and the Hungarians' solicitude. Yet Washington remains anxious about growing economic ties between Eastern and Western Europe, as if economic attraction drew Westerners eastward, not the other way around.

Offering negotiations that would make permanent Hungary's trading status as a most favored nation signals a welcome change in policy. But the administration could do more, easing restrictions on some high-tech exports, underwriting more private investment and extending emergency refugee aid to Hungary.

The East German government still yearns for the Cold War. There is no cause for Washington to do the same.

—THE NEW YORK TIMES.

A Light on the EC Debate

A new shaft of light has fallen on the long, confused argument about what the European Community ought to mean by "economic and monetary union." A clear pair of alternatives may now be in view. On one side stands Jacques Delors, the head of the European Commission, who holds that a pulling together of the 12 countries' exchange rates must lead on to a centralization of their tax and spending policies, and indeed to a United States of Europe. From the other side comes the reply that this is nonsense. Nothing necessarily connects the two approaches, and it makes no sense to try to invent a connection.

Almost everybody in the Community, except Prime Minister Margaret Thatcher, now sees the case for linking the exchange rates of all 12 countries. To make Western Europe a truly single market after 1992 is universally regarded as a good thing. That single market will work better if exchange rates are predictable; buyers and sellers can then plan ahead more confidently.

Linked exchange rates may lead on to a single European currency, which is a simpler way of achieving the same end. But all this would just make Western Europe. In effect, what it was before 1914—a single free-trade area with fixed exchange rates. Nobody confuses the pre-1914 state of affairs with a United States of Europe.

The break-point lies between exchange-rate unity (and maybe that single currency)

and giving the Brussels bureaucrats control over the 12 countries' fiscal policies. This is where the new shaft of light has fallen.

Alexandre Lamfalussy, the general manager of the Bank for International Settlements in Basel, Switzerland, argued recently that it was best to have a Europe-wide fiscal policy. Otherwise, he claimed, some governments would run big budget deficits in the hope that their better-disciplined brethren would have to bail them out. Not so, retorted the other side of the argument. To keep the 12 budgets separate will make it easier for the fiscally virtuous to point out when the unvirtuous are, and to make it clear that they will not get bailed out. It seems a fair point. Interestingly, at the Sept. 9-10 meeting of EC finance ministers, some of Mr. Delors's assistants sounded a bit more flexible about centralized budget control.

The battle lines may thus have been drawn for the coming confrontation. Britain will not agree to centralized budget policies, even if Mrs. Thatcher can be hauled into exchange-rate unity. Neither the Conservative government nor the Labor opposition will go as far as that. West Germany is also increasingly reluctant to give Brussels control over its budget. Doubts can be heard in several other countries. The Community of the year 2000 may be organized around a milder economic policy than the one Mr. Delors wants.

INTERNATIONAL HERALD TRIBUNE.

Other Comment

A Dawn for Japanese Women

Socially and legally, women have always been second-class citizens in Japan. Until recently, opportunities for women outside the home were limited almost exclusively to part-time, poorly paid, assembly-line work. But Japan's stunning economic success has created an absurd labor shortage where there are three job vacancies for every man graduating from university. To be able to grow and keep up with the competition, Japanese companies are being forced to allow more young women into the ranks of "management stream" employees.

Thus a new generation of women has an array of choices. With a degree of economic independence has come a newfound sense of social and political awareness in Japanese women. This is indicated by the rising divorce rate, the soaring numbers of women

who are company presidents, and the appointment in 1986 of Takako Doi as the first woman to head a major political party.

Japanese women still have a long way to go before they can boast anything approaching equality. Japanese companies are legally able to pay lower salaries to women for equal work. In many companies, it is the norm to ask a woman to resign when she marries, to make way for younger, prettier faces in the office.

Japanese law still allows men to have a "second wife" entered in the family register, thus ensuring that children from mistresses are entitled to equal inheritance rights. And sexual exploitation is still rife, with more than 150,000 prostitutes in Tokyo.

Lasting changes almost always take place incrementally. But Japanese women are gaining a sense of their potential power.

—Australian Financial Review (Sydney).

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1988-1989

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUBNER, Publisher

JOHN VINCIGUERRA, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR
and CHARLES MITCHELL, Deputy Editors • CARL GEWIRTZ, Associate Editor •
ROBERT J. DONAHUE, Editor of the Editorial Pages

RENE BONDY, Deputy Publisher • ALAIN LECOUR, and RICHARD H. MORGAN, Associate Publishers •
FRANÇOIS DESMAISON, Circulation Director • JUANITA L. CASPARI, Advertising Sales Director •
KOURT HOWELL, Director, Information Systems

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Telex: Advertising, 613399; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Richard D. Simmons

Editor for Asia: Michael Richardson, 5 Canterbury Road, Singapore 0511. Tel. 472-7768. Telex: R356920.
Hong Kong: 50 Gloucester Road, Hong Kong. Tel. 5-8610616. Telex: 61170.
Managing Dir. U.K.: Robin MacKinnon, 43 Long Acre, London WC2E 9LT. Tel. 836-4802. Telex: 262029.
Gen. Mgr. W. Germany: W. Landstätt, Friedrichstr. 13, 8000 Frankfurt/M. Tel. (069) 726-253. Telex: 416721.
Pres. U.S.: Michael Caruso, 600 Times Square, New York, N.Y. 10036. Tel. (212) 223-8800. Telex: 421773.
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Comptes Parisis No. 61337.
© 1989, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

No Reason Now to Make Germany One

By William Pfaff

OSLO — The Federal Republic of Germany has followed the counsel of Konrad Adenauer, its first chancellor, that freedom must be established in East Germany before Germany can be reunited. This seems to be happening. East Germany is in crisis, and the economic and political foundations of the East European system are crumbling. West Germans may easily think that German unification on Mr. Adenauer's terms—liberal terms, Western terms—is closer than ever before. Perhaps very close indeed.

But would reunification be a good thing? These outside observers who ask that question find themselves told that they run the risk of provoking a West German turn away from unity on Western terms to unity on (hypothetical) Eastern terms. They are told that they risk provoking German nationalism as well as neutralism, launching the Germans once again into the East in search of trade and economic domination. Evidence of the risk is found in the success of West Germany's far-right nationalist party, the Republicans, in the European Parliament elections this year.

I believe it better that the Germans remain separate states. That division, as I wrote in an earlier column, is a verdict imposed by two world wars and terrible human crimes and ordeals, which it would be extremely rash to undo. In that column I raised the question of a statesmanlike West German renunciation of the goal of unification.

I obviously did not expect such a renunciation. I was dropping a stone into a pool of obfuscation of the international implications of the German question. The consequences of that obfuscation risk haunting East-West relations. West Germany's far-right nationalist party, the Republicans, in the European Parliament elections this year by American columnists, causing much offense in West Germany, and the anxieties expressed in French and British press and political circles.

German unification is not a matter for Germans alone, even if the Germans are the people who will finally decide the matter and who would be most affected. It is a European problem, and an American one to the extent that the United States remains committed to Europe. Beyond that, it is a problem for Poland and the Soviet Union, which is why I believe unification is a remote prospect.

Why All This Sudden Nostalgia for the Cold War?

By Peter Tarnoff

NEW YORK — Why are top Bush administration officials expressing nostalgia for the Cold War period just before the Soviet foreign minister, Edvard Shevardnadze, arrives in the United States for important talks with President Bush and Secretary of State James Baker?

Are the voices that not long ago promoted a "Yalta II" involving U.S.-Soviet talks to arrange the extent and pace of East European change now behind this new revisionism that implies that the Cold War was not such a bad thing after all?

Whatever its real intentions, the administration seems to be saying that Mikhail Gorbachev's reforms and diplomacy are harmful to U.S. interests, especially in Europe.

Last week, Deputy Secretary of State Lawrence Eagleburger favorably compared the Cold War years, "characterized by a remarkably stable and predictable set of relations among the great powers," to the present period "in which power and influence is diffused among a multiplicity of states" and where the danger exists "that change in the East will prove too destabilizing to be sustained."

Mr. Eagleburger's speech and a recent article by a State Department official, Francis Fukuyama, in *The National Interest* titled "The End of History?" seem to be laying the foundation for a Bush doctrine based on minimal prospects for improving conditions throughout Eastern Europe and low expectations for U.S.-Soviet relations.

Mr. Fukuyama said that the end of the period of East-West ideological conflict, which he calls "the end of history," will be "a very sad time." He adds: "The struggle for recognition, the willingness to risk one's life for a purely abstract goal, the world-

wide ideological struggle that called forth daring, courage, imagination and idealism will be replaced by economic calculation, the endless solving of technical problems, environmental concerns. I can feel in myself a powerful nostalgia for the time when history existed."

If these are to be the guidelines for its conduct of East-West relations, the administration may forego opportunities for major advances in arms control and other sensitive areas that have disturbed the peace for almost 50 years.

As a result, Washington may be forfeiting leadership of the alliance by taking positions that are considered

with the West because they, too, will need good economic ties and a favorable political climate with the industrialized democracies.

Moreover, when Bush administration officials argue that American policies should be in American, not Soviet, interests, they distort the United States's options into a simplistic "either-or" proposition. The administration should be perfectly capable of setting a course that advances U.S. interests while enhancing the survivability of a Soviet regime that most Americans correctly see as better for the United States than any likely alternative.

When American officials publicly

The Bush administration should be perfectly able to set a course that advances U.S. interests while enhancing the survivability of a Soviet regime that is better for America than any likely alternative.

misguided in most of the capitals of both Eastern and Western Europe.

Ironically, Paul Nitze and Kenneth Adelman, staunch conservatives who served the Reagan administration in high positions, appear fairly optimistic about the chances for significant breakthroughs in U.S.-Soviet relations. They think the Gorbachev Kremlin is willing to pay a high political price for better relations with the West, and they want the United States and its allies to negotiate vigorously from positions of relatively greater strength than before.

Even if Mr. Gorbachev is eventually overthrown, they argue, his successors are unlikely to break agreements

play down Mr. Gorbachev's chance for success and stress the limited expectations of U.S. policy, there is rejoicing in the most retrograde party and bureaucratic circles in the Soviet Union. Those reactionary officials who have been fighting the Gorbachev reforms so as to retain their own influence also prefer a world "characterized by a remarkably stable and predictable set of relations among the great powers."

We should not forget that in just such a world, notably during the latter Stalin and Brezhnev periods, the Soviet Union was at its most aggressive and threatening to Western interests.

In All, More Than a Billion Democrats

By Karan Singh

WASHINGTON — Having been at my post as India's ambassador to the United States for barely a month, I must record some preliminary observations on relations between the world's two largest democracies so that, if my analyses prove inaccurate, I can still use the excuse of being a newcomer. I have phrased them in the manner of four notable truths, convinced as I am that on the state of relations between these two countries could well depend the future of democracy itself, especially in the developing world.

The first notable truth is that India is, to put it gently, peripheral to the consciousness of the United States. This is galling to Indians, because we have been brought up in the knowledge that we are one of the two most ancient continuing civilizations in the world; that we have produced some of the greatest philosophers, poets, dramatists and thinkers; that our monuments are among the most magnificent; that our freedom movement led by Gandhi and Nehru was unique; and that because of our vibrant democracy, sustained since independence in 1947, one-seventh of all people in the developing world enjoy democratic freedoms.

The second notable truth is the reason for this curious situation. It is that India has neither been an ally nor an adversary of the United States, fitting neither into the baggy or the democracy of a society obsessed until recently by Cold Wars and power blocs and dominated by a firmly dichotomous world view. Also, younger Americans have had little exposure

to major political events in India. Media coverage tends to reinforce outdated stereotypes.

The third notable truth is that the reverse of this is not true. America is by no means peripheral as far as India is concerned. The United States is the largest foreign investor in India, its largest trading partner and its largest source of tourists. We also recall with gratitude Franklin Roosevelt's role in getting the formidable Winston Churchill to take a more reasonable view of India's demand for independence, and, after freedom, the invaluable American food aid during our early drought-ravaged years. Even more effective in the long term were the American scientific and technological contributions to our "green revolution," which now enables India to feed its 800 million people without importing food grains. And the Kennedy years were of particular importance to the political perceptions of my generation.

The fourth notable truth is that this lopsided perception is no longer acceptable to India. We are on the threshold of an economic breakthrough and need much closer links with the United States in order to finally to overcome the poverty barrier that we face.

We seek not aid but trade, not charity but technology. India represents one of the great potential markets of the 21st century. Our burgeoning middle class is steadily developing the capacity to absorb American products.

We are, under a youthful, tech-

nology-oriented prime minister, in the process of liberalizing our foreign investment policies, and we need an adequate response from American entrepreneurs, including the 750,000 American citizens of Indian origin, who are making a handsome contribution to their adopted country and can also help in India's economic growth.

The present situation represents a rare opportunity for breaking the indifference factor and bringing India into prominent focus in the United States. With its shared ideals and commitment to democratic values and institutions, India can become a major partner with the United States in the quest for peace, stability and economic growth on this planet.

This need no longer be simply a forlorn hope or a pious platitude. It can be actualized over the next few years by building on the excellent personal relationship between President Bush and Prime Minister Rajiv Gandhi and the tremendous fund of goodwill among the peoples of the two countries. Nehru, whose birth centenary is Nov. 14, always hoped that India could play a positive and constructive role in the development of a new world order. Perhaps the time has come when, in a modest way, this role could begin to emerge. But for that to happen, America has to become more clearly aware of India's tremendous potential as the world's most populous democracy.

The views expressed here are not necessarily those of the Indian government. Mr. Singh contributed this column to *The Washington Post*.

OPINION



The unification of Germany would remove the keystone from the security arrangement that has governed Europe since World War II. If unification were on terms of neutralization—whatever neutralization would actually mean—the North Atlantic Treaty Organization would either end or become a very different alliance. The U.S. relationship with Western Europe would be reconsidered and, conceivably, terminated. The West would have given up what made it safe. Given it up for what?

Democracy, political pluralism and economic reform in East Germany would follow unification. But unification is not indispensable to reform, pluralism and democracy. Look at Poland and Hungary.

A free vote, non-Communist parties, representative government and an economic system rid of Marxist-Leninist dogma are entirely compatible with the survival of a Prussian-Saxon state, separate from West Germany (and Austria), open to them, as Hungary and Poland now open themselves to the West, but with its own security imperatives. There were autonomous German kingdoms

in Prussia and Saxony until 1871. There is no compelling reason why there should not continue to be an autonomous Prussia-Saxony in the future. It is troubling that the issue is not always candidly discussed. The question of whether German unity is desirable is evaded by an argument that unity is inevitable as all of Europe unites. But the union of Europe is not in sight, nor is it clear that it is even desirable. Germany's unification is an issue now because of what is happening in East Germany and on the Austrian-Hungarian border.

West European unity and the Atlantic alliance have brought more than 40 years of peace and unparalleled prosperity to the West. This is what has provoked the upheaval of reform and avowed democratization in the East.

The course of events in the East bloc is charged with risk. It seems rash to abandon the structure of security and progress. Abandon it for what? That is the question behind the German question.

International Herald Tribune
© Los Angeles Times Syndicate.

Scrounging The Cost of Free Lunch

By Murray Weidenbaum

ST. LOUIS, Missouri — The green-eyed types strike again. President Bush launches a war against drugs, but budget analysts say they have to cut back other federal programs to come up with the money. Medicare "catastrophe" coverage takes effect, but senior citizens find their taxes must go up to pay for the benefits. Congress cuts the military budget, but the green-eyed types still want to close a nearby base vital to the local economy.

Fighting drugs, providing medical care for the elderly and cutting the bloated military budget are important. Why can't the bean counters leave us alone and just let us undertake these vital actions? Why must they make everybody scrounge for funds, taking money from deserving citizens and income-generating federal endeavors?

If the foregoing wailing sounds like that of the spoiled child who will not stay within the family allowance, it is not coincidental. Politicians have long spoiled the voters by giving them easy answers to hard questions, promising something for nothing—what economists call a free lunch.

Alas, America cannot meet all the demands placed on the national agenda. The revenue barrel is empty. As we teach in elementary economics, while human wants are insatiable, resources to satisfy them are scarce. Down deep, Americans understand this. Still, many of us think that our needs are more important than the other fellow's.

Thus, it is easy to garner business support to finance competitiveness programs by promising to cut welfare. Labor groups advocating job programs are quite willing to eliminate benefits going to businesses in order to pay for them. And both groups want to reduce the deficit by curtailing subsidies to farmers.

Many politicians have stopped actively promoting the idea of a free lunch. Nonetheless, the public is getting little leadership from either the White House or Congress on how, exactly, to pay for lunch.

Selecting public policies involves far more than announcing new, desirable programs. It involves suggesting the trade-offs needed to pay for them. The hard decisions boil down to "a little more of this" and "a little less of that"—for example, taking a billion dollars out of farm subsidies and adding it to the war on drugs.

There really are two ways of achieving "a little less of that"—curtailing public sector spending and curbing private sector demand. To cut government spending, Congress must appropriate less. The direct way to curb private demand is to tax away some portion of private income. If we do not follow one approach, sooner or later we will have to follow the other.

The Bush administration seems determined to take the less-government-spending approach. To do so while promoting a more efficient and competitive economy, efforts to cut spending should go lightly on investments in infrastructure and human resources (such as new bridges and education), and focus on items that do not generate future benefits to the nation, notably subsidies and income transfers, like welfare. To be fair, cuts should not focus on one agency or interest group. Which ones should be on the list?

Let us begin with subsidies to business. There is little justification for the billions of dollars of government credit provided at low interest rates to a small number of lucky companies.

Then we can turn to agricultural price supports that benefit mainly the largest, wealthiest farmers. Nor should we overlook benefits to unions, such as the requirement that a floor (not a ceiling) be placed on labor costs in federal construction projects. The Pentagon provides numerous candidates for spending cuts, such as the arcane provision that healthy 38-year-olds receive benefits when they retire.

Finally, budget cutters should look at the largest category of spending—entitlements such as Social Security.

Here the second approach, tax policy, can help. Because the bulk of the monthly benefit check is a gift from the working population, all these payments should be subject to federal income tax. Those who depend entirely on their Social Security entitlement will find they owe no tax. But recipients with substantial outside income will contribute to the effort to achieve economy in government.

There is, after all, no such thing as a free lunch—or a costless government benefit.

The writer is president of the Council on Foreign Relations. He contributed this view to *The New York Times*.

The writer is director of the Center for the Study of American Business at Washington University. He contributed this view to *The New York Times*.

100, 75 AND 50 YEARS AGO

1889: Edison the Lion

BERLIN — The modest Franklin of the nineteenth century, Thomas Edison, was as great a lion during the few days he remained in Berlin as he was in the city of the monster tower. When the great physiologist, Professor Dubois-Raymond, remarked "Es ist erstaunlich" upon witnessing the phonograph's results, scientific Berlin can do no more than join in the chorus. He had just listened to a trio which three concert players of the Kaiser Franz Regiment of the Grenadier Guards had blown into the phonograph, and which the instrument repeated note for note, with all the delicate shades of expression embodied in the original rendering.

1914: Rheims Is Bombed

PARIS — The German forces, who, despite extremely violent attacks, have not gained a foot of territory before Rheims, have bombarded the cathedral in that city. Bombing lasted the

entire day [Sept. 19]. The general situation, however, remains unchanged.

1939: War Dispatches

PARIS — The defenders of Warsaw were still holding out last night [Sept. 19], more than a week after the Germans announced the capture of the Polish capital—now half in ruins. The Nazis have been strafing the city since the Poles ignored their ultimatum. President Moscicki and the members of the Polish Cabinet have taken refuge in Roumania. They intend to set up the government in Paris soon. Hitler made a triumphal entry and a one-hour-and-a-half-minute speech in Danzig. He said Germany has no war aims against Britain and France, but that Germany was prepared to fight for seven years. He claimed that he did not want the Ukraine. The silence of Joseph Goebbels, German Minister of Propaganda, has led to rumors that he has been disgraced. Goebbels led the anti-Communist drive in Germany.

OPINION

America Need Not Give In To Soviet Barnstorming

By A. M. Rosenthal

WASHINGTON — Americans who meet Boris Yeltsin in Moscow sometimes tell him it is a pity he is not American himself. They say he is so charming, so open and candid that he would win an election back home.

That seems to have gone straight to Mr. Yeltsin's heart. When he was in the United States last week, he treated Americans pretty much as American politicians often do — as if they were all a bunch of misanthropes.

Mr. Yeltsin is a leader of the opposition to Mikhail Gorbachev within the Communist Party. It is easy to see why

The administration wants Mr. Gorbachev and perestroika to stay afloat because evil days certainly may be possible if it all fails.

But the administration also has healthy doubts that communism can rescue communism and no strong inclination yet to take big risks on that gamble.

The administration's reaction to Mr. Yeltsin — thank you, but no — is particularly important because of the meeting this week between the Soviet foreign minister, Eduard Shevardnadze, and Secretary Baker.

To Europeans, Mr. Shevardnadze has been delivering the heart of the Yeltsin message: Things are getting much worse — help.

The Bush administration expects him to say something like that to Mr. Baker when they meet in Wyoming. The foreign minister will get some advice — for instance, put freedom to emigrate into written law so Washington can legally give Moscow all the trade advantages that any other country is accorded.

But if he is looking for major commitments, the weather in Wyoming may be cool, appropriately.

There is no evidence that Mr. Gorbachev's effort to save the Communist system by adjusting it will succeed and plenty that it will fail.

If it does, people far worse than Mr. Gorbachev could take over.

But it could also happen that real freedom would come to the Soviet Union, the fruit of the wrenching effort of those who fought it from within and paid with years in cruel prison camps.

The victims and opponents of the Soviet system are the real heroes of their nation. The Yeltsins and the Gorbachevs climbed the Soviet ladder until they thought it was about to fall. Then they shouted alarm, which earned them credit and respect.

But think how much more is due to those who saw what the Yeltsins and Gorbachevs claim they did not until they got high up the ladder — that the system was collapsing under its own tyrannical weight.

For their wisdom, and in recognition of their years of pain, they deserve a chance for a share of political power and a clear voice heard in the West.

So far they have had little of either. They have ideas far different from Mr. Yeltsin's or Mr. Gorbachev's about how to help the Soviet people, not the Soviet apparatus, and when.

They have earned the right — as Solidarity had before it took office in Poland — to be heard in Washington.

Only then can the United States make a rational decision on whether to bolster the present Soviet system or a new one that may emerge. Until then, thank you, but no.

The New York Times.



Are Americans Ignorant? Don't Rely on the Surveys

By Roald Hoffmann

ITHACA, New York — The past few years have seen a dirge of statistics testifying to the depth of ignorance of Americans. There seems to be no end to what we Americans do not know, be it history, geography, but especially science. But is this really the case?

In one survey, 75 percent of U.S. respondents said they believed that antibiotics are effective against viruses. In another, one in six could not identify DNA. Were such a question posed, I'm certain that many would identify Walt Whitman as a left fielder for the old Brooklyn Dodgers rather than as a poet.

A recent survey by the International Association for the Evaluation of Educational Achievement compared ninth-grade general science students in 16 countries. Americans ranked next to the bottom, outscoring only students from Hong Kong. Advanced chemistry pupils (grade 12) in the United States finished 12th of 14, ahead of Canada and Finland, and far behind Britain, Singapore, Japan, Hungary, Australia and Poland.

Surveys that plumb the depth of Americans' ignorance and that of the country's students are methodologically suspect. And the interpretation of these statistics in isolation is questionable. One needs an accompanying discussion of the social, cultural and economic environment in which these supposedly ignorant individuals function as members of a productive society.

The methodology used in these surveys typically compares American high school students with their foreign counterparts. This fails to take into account the continued elitism of foreign educational systems. Although European children are no longer shunted out of a university-bound track at age 11 on the basis of a single examination, the educational pyramid narrows much more steeply in the European countries.

The study that compares a 12th-grade student in Finland or Hong Kong with one in America is not

satisfactory: The United States has many more people in its educational pipeline.

Yet this study and similar "statistics of ignorance" are superficially used as certain indicators of the decline, first educational, then economic and technological, of the United States. The Japanese are far ahead, the South Koreans and Taiwanese not far behind.

It is not so simple. Most will agree America was a leader, not only in wealth and power but in science and the arts, from 1945 to 1969. Were there a clear, causal tie between level of education, knowledge and economic success of a country, then there should have been a recorded superiority of American youth in the years preceding that period. I have never seen any evidence for that, and suspect that surveys of Americans' state of knowledge then would have shown them years behind that of the Europeans.

It is impossible to make a connection between statistics of ignorance and past or future status of a country without consideration of society as a whole. One must look at the economic system, the nation's history, patterns of immigration and the psychological forces at play.

Take the countries ranked ahead of the United States in the survey. Perhaps Hungarian and Polish students know more, but the tragedy is what the Soviets' ineffective social and economic system has done to them.

Britain traditionally has had a first-class educational system, but it is elitist. Furthermore, the superior British system has not stemmed the economic decline of this former colonial power. And as for Japan, I doubt if Americans would want to subject their children to the psychological pressures, the exam fever and the tension of Japanese schools.

To Perish May Be More Honorable

By Michael Shenefelt

NEW YORK — Given disposable diapers and disposable cutlery, it is only natural that the universities should now produce disposable scholarship.

In 1987, for example, academic journals published more than 500 scholarly articles on Shakespeare. Read 500 articles on Shakespeare, and you won't have time to read Shakespeare. Most of the articles were merely disposable. Not

cal reality, which makes it difficult, though not quite impossible, simply to make things up.

Of course, some scientists do make things up, but they are like happy puppies wandering into the lion's den. So many other aspiring professors are dying to repeat the experiments and publish the results that it is remarkable that anything survives of the carcass.

But the result in the humanities has been a golden age of gibberish. And should you now wish to produce gibberish of your own, here are the two methods best calculated to ensure success.

The first is to work on subjects ever more arcane. You can do quite well, for example, by writing several dozen pages on some obscure point in Plato's "Republic" — a point that Plato probably never thought worth his reader's while.

If you choose to adopt the first method, what you are really doing is inventing the method of the original humanists of the Renaissance.

The aim of the original humanists was simply to get their contemporaries to read a few good books. They exercised their scholarship only to get reliable texts. If you decide to adopt the

first method, you look for texts to exercise your scholarly ship.

But then there is the second method. This is to seize on the errors of your colleagues. That is, instead of wrestling with the great minds of the past, you wrestle with your neighbors.

It is the second method that generates the animosity and cliquishness that academics so often deplore, but it is also the

They demanded that each new professor say something original. The result has been a profusion of humbug.

second method that is most likely to get you early publication in the journals.

Of course, both methods involve a price. Aside from their sheer tedium and frivolousness, they will very likely destroy whatever literary style you might have had. A writer tends to imitate what he reads, and to succeed at either method you must spend most of your time reading your contemporaries. Which is to say, you must spend most of your time reading inferior authors.

In fact, the profusion of humbug would be nearly unbearable were it not for the happy invention of peer review. When a university hires a new professor, the fellow who does the hiring almost never reads the professor's articles, since if he did, he would find them virtually unintelligible.

Instead, he merely reads the names of the journals in which they were published. That assures him that the articles were read by the journal's board of reviewers. In scientific journals, the reviewers do the necessary drudgery of checking data and verifying mathematical formulas, but in the humanities they play the oddly different role of literary whipping boy.

Nothing is more numbing than reading such an article with attention — as any graduate student can tell you. So, when the person who does the hiring sees that the article has been published, he knows that somebody else, the reviewer, has already taken the whipping, and he can then return in good conscience to his primary duty of advancing the school's building program.

Of course, if the reviewer ever really did get something original — not original humbug, that is, but an original insight — he would probably take it for heresy and just send it back.

And then there is the problem of those strange and rare teachers who simply take no interest in scholarly publication. Socrates, you recall, never published a word.

The writer, who shared the Nobel prize in chemistry in 1931, is a professor of physical science at Cornell University. He contributed this view to The New York Times.

The writer teaches philosophy at New York University's School of Continuing Education. He contributed this comment to The Washington Post.

LETTERS TO THE EDITOR

Will the Nonaligned Act?

I have read with interest your reports on the recent meetings of the nonaligned countries in Belgrade. But as a former adviser to Third World governments, I believe that in order to prod the West to begin a meaningful dialogue, the nonaligned movement must shed its outdated ideological stances.

The West has been contributing its share for the welfare of the developing nations by increasing its official concessional development assistance to them from \$13.2 billion in 1970 to \$35.5 billion last year. It also has taken on increasingly greater volumes of their manufacturing exports.

Even so, the future development of Third World nations will primarily depend on the actions they take to better adjust their economies and integrate them into international markets, to attract poverty and to improve the environment.

In the past 10 years, Asia achieved high rates of growth while most parts of Latin America and Africa saw economic decline. The dazzling performance of East Asian nations in absorbing external shocks, in penetrating export markets and in reducing poverty can provide compelling lessons for the rest of the Third World.

The nonaligned nations should study the ways and means of promoting more economic cooperation and trade between themselves, look back critically at their performances in macroeconomic management and formulate better policies on debt relief and trade.

MULLATH VASUDEVAN, Cannes.

Hong Kong Faces 1997

Regarding "Hong Kong: Beijing Shows It Can't Be Trusted" by Tania Chen (Opinion, Aug. 18):

This article points directly to the dilemma the territory faces in the run-up to 1997, when Hong Kong will revert to China.

Ms. Chen says there are signs that freedom of speech and of the press will be threatened as 1997 approaches. She cites China's harsh criticism of two Hong Kong legislators, Martin Lee and Szeto Wah, for voicing support for pro-democracy student demonstrators in Beijing and the legislators' subsequent protests against the June crackdown.

The People's Daily newspaper accused Mr. Lee of "attempting to overthrow the regime" when he tried to enlist international support for the student movement — in other words, China regards any

criticism of its policies by citizens of Hong Kong as treasonous.

The Chinese regime wants to muzzle any opposition. One example of how it plans to do this in Hong Kong, and also an example of how some basic freedoms are being eroded, is Article 22 of the first draft of the Basic Law — what is to be Hong Kong's mini-constitution after 1997.

The article states: "The Hong Kong Special Administrative Region shall prohibit by law any act designed to undermine national unity or subvert the central people's government."

Had this law been in place during and after the student protests, anyone showing support for the demonstrators could have been charged, and probably jailed. Any newspaper, magazine, radio or television program publishing criticism of the June massacre in Tiananmen Square would be subject to prosecution.

Ms. Chen says trouble lies ahead for Hong Kong if the present regime in China remains in power. She is right. What those who were responsible for the killings in Tiananmen Square want is for China to be able to criticize Mr. Lee — and for Mr. Lee to be prevented, by law, from criticizing China.

DEREK SMYTH, Hong Kong.

An Answer for Lebanon

Regarding the editorial "General Aoun's Disaster" (Sept. 12):

Major General Michel Aoun may have made a faux pas in his recent aggressive reference to the U.S. Embassy in Beirut. But his aim was to attract worldwide attention to the Lebanese problem and elicit positive action by the State Department. It boomeranged.

The greater mistake has been the sellout of Lebanon via the West's deplorable inertia. The United States, especially, has played into the hands of the Syrians and Israelis.

Without outside interference, the Lebanese — Christian and Muslim alike — could agree to a new national pact. On several occasions during the past 15 years, an agreement was nearly reached, only to be thwarted by one of the neighboring countries. And if Syria would allow all factions to meet, the clouds over Lebanon would gradually clear.

Armed with a new pact, all Lebanese citizens would want the occupying powers to leave their land.

There is one way out: The United States, France, Britain and the Soviet Union should act to impose on Israel and Syria a fair solution to the Lebanese problem.

ELIE A. SEHNAOUL, Paris.

CLASSIC

la collection
Van Cleef & Arpels
Paris

PARIS, GENEVE, CANNES, MONTE CARLO, NEW YORK, BEVERLY HILLS, TOKYO, OSAKA, HONG KONG, KUALA LUMPUR, MILANO, ROMA, MADRID, BRUXELLES, DEN HAAG, DUSSELDORF

AT SHERATON LITTLE THINGS MEAN A LOT

CLOSER
TO WHERE YOU
NEED TO BE

Another reason why we are the
business heart of Beijing.

长城饭店
The Great Wall
Sheraton Hotel Beijing

TEL 861 500566 FAX 861 500138 TELEX 220027 GWHBJCN

Live the adventure.

CAMEL

in.
our
come
get
being
all the

Bush Accused of Nostalgia for Cold War

By Thomas L. Friedman
New York Times Service

WASHINGTON — George J. Mitchell, the Senate majority leader, has accused the Bush administration of failing to encourage changes in the East bloc and of feeling "almost nostalgic about the Cold War."

The Maine Democrat's remarks, made on the Senate floor, were part of a broad debate shaping up in Washington over the administration's reluctance to take steps that might benefit President Mikhail S. Gorbachev of the Soviet Union.

Mr. Mitchell's comments coincided with the opening Monday of talks at the State Department between Soviet and U.S. officials, who are preparing the ground for a meeting Thursday between President George Bush and Foreign Minister Eduard A. Shevardnadze of the Soviet Union, to be followed by talks Friday and Saturday in Jackson Hole, Wyoming, between Mr. Shevardnadze and Secretary of State James A. Baker 3d.

The meetings are likely to be closely watched as a barometer of U.S.-Soviet relations.

In an apparent attempt to blunt complaints about the administration's approach, Mr. Bush said Monday in Helena, Montana — one stop on a two-day tour of western states — that his administration was working on arms control proposals that would "capture the imagination of the Soviet people," but that he felt in no hurry to reach an agreement on reducing long-range nuclear weapons.

Mr. Bush also said that he was in "no rush" to have a summit meeting with Mr. Gorbachev. Asked whether the time had come to talk about this, he said, "No," adding, "it's time to talk about a construc-

ive, productive meeting of the two foreign ministers."

On another issue, German reunification, Mr. Bush said: "I would think it's a matter for the Germans to decide. But put it this way: If that was worked out between the Germans, I do not think we should view that as bad for Western interests. I think there's been a dramatic change in post-World War II Germany. And so I don't fear it."

Referring to the strategic arms talks in Geneva, Mr. Bush said: "We do want to move forward and are working inside our own administration to have the proposals that I think will capture the imagination of the Soviet people. We'll have to see what message Mr. Shevardnadze brings with him. But I feel no rush on that subject. I think our handling of the Soviet account is pretty good."

Administration officials, however, said they knew of no far-reaching proposals in the works that would necessarily capture the Soviet imagination, although they did not rule out surprises, given the small circle of top officials who have shaped U.S. arms control initiatives in the past.

Mr. Mitchell, in what his office said was a reference to a speech last week by Deputy Secretary of State Lawrence S. Eagleburger, as well as to recent statements by Mr. Bush, said:

"Recent administration comments about the Soviet Union and Eastern Europe have convinced me that the problem is deeper than lack of imagination."

He added, "There appears to be a basic ambivalence within the Bush administration about the dramatic transformation now under way in the Eastern bloc. This ambivalence is difficult to understand."

"For over 40 years, the United States has demanded that the Soviet Union change its political system and loosen its stranglehold over the countries of Eastern Europe. The Western alliance, formed to confront the threat of Soviet totalitarianism, has consistently urged the Soviet Union to decentralize its political and economic system and grant every citizen the right to speak, to worship, to emigrate freely."

Mr. Mitchell then went on to say:

"What we have demanded for over four decades is beginning to occur. This is unquestionably a triumph for the United States. Now is the time for the United States to encourage and capitalize upon the changes we have sought for so long. Instead of encouragement and engagement, the administration has adopted an almost passive stance. 'Show me,' the president says. His officials warn of the unpredictability of change. The Bush administration seems almost nostalgic about the Cold War and the rigid superpower relationship that divided the world into two hostile and isolated camps."

2 Soviet Soldiers Killed

Compiled by Our Staff From Dispatches

MOSCOW — Two soldiers were killed in an exchange of gunfire when they tried to disperse crowds near the border of the disputed Nagorno-Karabakh Autonomous Region, a Soviet Interior Ministry spokesman said Tuesday.

The spokesman, Yuri Arshenyev, said at a news conference that the Interior Ministry troops were killed Monday evening in the Agdam district near the border of Nagorno-Karabakh, an enclave within Azerbaijan that is claimed by Armenia.

"A crowd blocked the road, and special troops arrived at the place and tried to disperse the crowd," Mr. Arshenyev said. "There was an exchange of fire and as a result one member of the Interior Ministry troops was killed instantly," he said. "Another died later."

The Communist Party newspaper Pravda, meanwhile, published a front-page letter from its own and eight other Armenia-based correspondents condemning the halting of rail supplies from Azerbaijan, which has caused a virtual blockade of Armenia.

It said that food and fuel reserves were running out in Armenia, that reconstruction work in areas razed by the December earthquake had halted and that supplies of newspaper would be exhausted by Thursday.

The blockade, imposed by Azerbaijani nationalists, is linked with the dispute over demands by Nagorno-Karabakh's Armenian majority for territorial transfer to Armenia. More than 120 people have been killed since early last year in the dispute.

Azerbaijani militants announced the partial lifting of the blockade on Tuesday. A spokesman for the Azerbaijan Popular Front, a new mass movement, said that "transport of food, medicine and building materials, but not of oil, which is a national product of Azerbaijan, resumed Monday."

Representative Les Aspin, the Wisconsin Democrat who heads the House Armed Services Committee, said in an interview that administration officials had "provided no vision of where they are going, no sense that they want to engage Gorbachev in terms of the opportunities he presents."

"They just keep coming up with these piecemeal initiatives that leave you hungry for more a few months later," Mr. Aspin said. Representative Jim Leach of Iowa, a moderate Republican member of the Foreign Affairs Committee, said he did not share Mr. Mitchell's views.

"The politics of prudence is always preferable to the politics of naïveté in dealing with Eastern-bloc problems," Mr. Leach said in an interview. "Thoughtful ambivalence is perhaps the most profound position for Western society to take at this time. There is no substitute for prudence, as China taught us, when dealing with changes in the Communist bloc."

Mr. Garrison also denied that Mr. Yeltsin had spent his lecture fees on a shopping spree. Under an agreement they signed, he said, the proceeds will go toward graduating AIDS in the Soviet Union.

The Esalen Institute will ship \$100,000 worth of medical equipment to the Soviet Union, primarily in the form of disposable syringes," he added, saying that Mr. Yeltsin would accept none of the proceeds.

U.S. Sponsor Denies Yeltsin Drunkenness

The Associated Press

WASHINGTON — The American who sponsored Boris N. Yeltsin's tour of the United States has strongly denied accusations published by Pravda that the populist Soviet politician was publicly drunk for much of the trip.

"If there was any problem with Yeltsin, it was jet lag," said Jim Garrison, executive director of the Esalen Institute Soviet-American Exchange Program, which sponsored the Communist Party official's nine-day, 11-city tour. "Most of the time he was cold sober."

Pravda, the Soviet Communist Party newspaper, reprinted an article Monday from La Repubblica, a Rome daily, saying that Mr. Yeltsin was repeatedly drunk during the tour and squandered his lecture fees on shopping.

Pravda did not comment on the article, but advertised it in a front-page box that said that Mr. Yeltsin, a former Politburo member, found the United States "a holiday, a stage, a bar, 5,000 kilometers long."

Mr. Yeltsin, interviewed upon his return to Moscow on Monday, called the report "garbage."

"It's a simple lie, slander and revenge for the fact that Americans received us with admiration," he said, flushing with anger. Mr. Garrison, who accompanied him throughout the tour, said that before leaving the United States, Mr. Yeltsin predicted that "the knives would be out on his return."

Asked to comment on reports that Mr. Yeltsin drank a bottle and a half of whiskey the night before he spoke in Baltimore last Tuesday, Mr. Garrison said: "He certainly did not finish off a bottle and a half of Jack Daniels. The entire delegation of five Soviets drank a bottle. But for five Soviet men to drink a bottle of Jack Daniels, that's normal. That's the culture. Soviets tend to drink a lot."

Mr. Yeltsin suffered from jet lag and a hectic schedule, and by the time he spoke in Baltimore, Mr. Garrison said, "he had not slept for three nights."

Mr. Garrison also denied that Mr. Yeltsin had spent his lecture fees on a shopping spree. Under an agreement they signed, he said, the proceeds will go toward graduating AIDS in the Soviet Union.

The Esalen Institute will ship \$100,000 worth of medical equipment to the Soviet Union, primarily in the form of disposable syringes," he added, saying that Mr. Yeltsin would accept none of the proceeds.

SOVIET: New Congress Date Set

(Continued from page 1)

congress should ensure the renovation of party branches at all levels, including the Central Committee. "We must bring in the most creative people and those who are most devoted to perestroika," Mr. Gorbachev told the Central Committee on the first day of a plenum originally called to discuss the Soviet nationalities issue.

"Real life and perestroika have been proceeding at such a rate that we have often lagged behind," he said. "The decision to hold the next party congress next autumn represents a compromise between radicals who have urged an emergency congress and conservatives who wanted no scheduling change."

But just as important as the date of the congress is its proposed scope. Mr. Gorbachev's speech suggests that he envisages sweeping changes in internal party procedures, including the abolition of the secret, which was largely molded during the Stalinist dictatorship.

The Soviet leader said the congress would be asked to endorse a new political platform, the draft of which will be published in spring.

Once a monolithic force, the Soviet Communist Party has broken into factions over the last few months as conservatives and radicals battle for power.

DRUGS: Learning the Hard Way

(Continued from page 1)

Based on his ability to pay, Mr. DeGregorio contributes \$100 each week toward the \$300 a week it costs to keep Mary Anne at Apple. The state makes up the rest.

On Friday, it will be a year since Mary Anne entered Apple. She figures on staying six months more. She is getting her high school diploma and wants to study fashion design. Or, perhaps, she said, she would go to work for Apple.

"I grew up a lot," she said. "I still get an urge," she added. "I think I always will. I can't say I'll never get high again."

But she said she was determined not to forget why she had come there.

Burma to Reopen All High Schools

Reuters

BANGKOK — Burma's ruling military council has announced that it will reopen all government high schools closed since the student-led uprising last year.

Diplomats said the move, announced on state radio Monday, exactly one year after an army crackdown killed more than 1,000 demonstrators, was part of an effort to restore normalcy to Burma.

DEATH NOTICE

Ann MANDELERT - THOMAN has the profound regret to announce the sudden death of his beloved husband, **Edmond MANDELERT**, on September 15th 1989 in Geneva. A brief religious service will be held at the Centre Funéraire in Vevey, on September 21st at 2:00 p.m.

Official Envisages A Neutral Hungary

By Don Oberdorfer
Washington Post Service

WASHINGTON — A senior Hungarian official has declared it time to begin "creating conditions" that could facilitate a historic shift of Hungary out of the Soviet-dominated Warsaw Pact military alliance to a neutral status with international guarantees.

Matyas Szuros, the newly elected speaker of the Hungarian parliament and an important official of the Hungarian Communist Party, told Washington Post editors and reporters that he envisaged such an eventual shift "within a climate of trust" between Hungary and the Soviet Union. Rather than be a Soviet military ally as it has since the end of World War II, he said, Hungary could be a neutral nation on the model of Austria or Finland.

Mr. Szuros, in the interview Monday, described Hungarian withdrawal from the Warsaw Pact as a possibility for the "medium" rather than the "immediate" future. He gave no specific date but suggested that a neutral Hungary could emerge by the end of the next decade if current trends continued.

Janos Marton, head of the opposition Hungarian People's Party, who is traveling with Mr. Szuros in a parliamentary delegation, said he believed that transition to neutrality should occur in a shorter time than Mr. Szuros seemed to have in mind. But Mr. Marton recalled that Mr. Bush, during his July visit to Budapest, cautioned Hungarian leaders "not to be too hasty" in disturbing long-standing arrangements within Eastern Europe.

Mr. Szuros, a former Hungarian ambassador to both the Soviet Union and East Germany, confirmed a weekend report that Hun-

gary had sent feelers to Moscow and several other nations before deciding recently to permit thousands of East Germans to use Hungarian territory to flee to the West.

No objection was received from the Soviet Union, Mr. Szuros said. He said that the policy of facilitating the flight of the East Germans would continue "for the time being." But Hungary will have to decide "pretty soon," he said, what to do for the long term about a 20-year-old pact with East Germany that forbids such an exodus through Hungarian territory.

The parliament speaker, who is also the Central Committee secretary for foreign affairs in the Hungarian Communist Party, suggested that Budapest's decision about the refugees would be linked to its overall relations abroad. On this score, he relayed an announcement made Monday in Budapest: that Hungary and Israel were resuming full diplomatic ties after a break of more than two decades.

Like most Soviet-bloc nations, Hungary severed its ties with Israel to protest Israeli occupation of Arab territory in the 1967 Middle East war. Monday's action, hailed by Prime Minister Yitzhak Shamir of Israel as "a courageous and strong decision," makes Hungary the first East-bloc nation to fully restore its ties with the Jewish state. One nation, Romania, never severed its relationship.

Mr. Szuros said he had a "funny feeling" that the United States was waiting for Hungary to have a new parliament, which may have a non-Communist majority, and a new government before helping the nation's economy. He objected to this approach, saying that time was of the essence.

Text of Vatican Statement On Auschwitz Controversy

The Associated Press

VATICAN CITY — The following is the text of a Vatican statement issued Tuesday on the Auschwitz controversy. The statement was issued in French and translated by The Associated Press.

Commission for Religious Relations With Judaism
Pontifical Council for the Promotion of Christian Unity

The Holy See's Commission for Religious Relations with Judaism noted with satisfaction the communiqué published Sept. 6 by His Excellency Monsignor Henryk Muszynski, president of the Polish Episcopal Commission for Dialogue with Judaism.

The intention expressed to proceed to the establishment of an information center, a center of meeting, dialogue and prayer, as

foreseen in the Geneva agreement of February 1987, is positively received, because the Holy See is convinced that such a center would contribute in an important way to the development of good relations between Christians and Jews.

The Holy Father, in effect, in his speech to the Jewish community in Vienna, on June 24, 1988, expressed the hope that "this center produce fruitful results and serve as a model for other nations."

The prayer and the sacred life of the Carmelites, whose monastery will be in a certain sense the heart of the center, will contribute in a decisive way to its success.

Toward the realization of this important but expensive project, the Holy See is disposed to offer its financial support.

Johannes Cardinal Willebrands
President

VATICAN: Solution to Feud

(Continued from page 1)

lish church lacked the money to build a new home for the nuns.

But the cardinal was flatly contradicted by the Sept. 6 statement by the Polish bishops' Commission for Dialogue with Jews, cited by the Vatican on Tuesday, which said the prayer center had to be built and the nuns moved there.

In addition, the money issue appeared to be partially resolved by the Vatican's offered contribution.

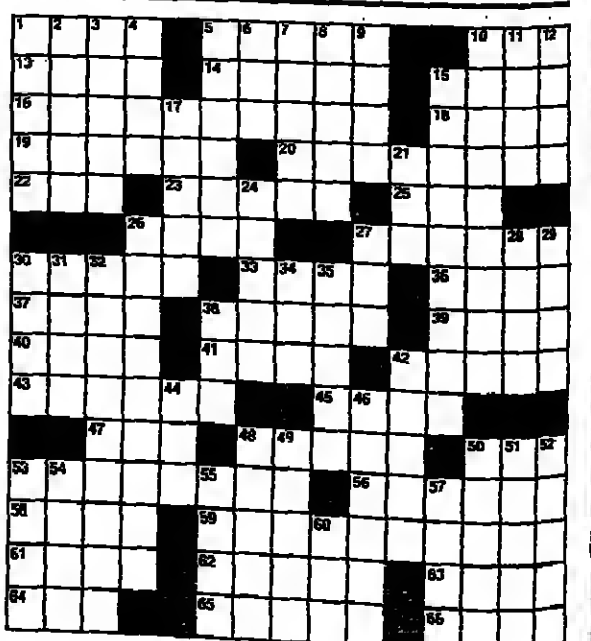
Jews Praise Vatican

Jewish leaders praised the Vatican's decision Tuesday, and the World Jewish Congress said it would call for an end to a boycott of relations with the Holy See. Reuters reported from New York.

"We welcome this significant step in helping restore the church's good word," Elan Steinberg, the executive director, said of the Vatican's statement.

A delegation of Jewish leaders will be sent to the Vatican to discuss ways to implement the 1987 Catholic-Jewish agreement and restore relations to the level that existed before the dispute, Mr. Steinberg said.

Theo Klein, a former president of the European Jewish Congress who has been outspoken on the Auschwitz issue, told The Associated Press: "The Vatican's statement ends, I hope, the conflict within the church. We can no longer say that the church is not committed to the Geneva accords. Now, what remains is their execution."



© New York Times, edited by Eugene Melnick

Solution to Previous Puzzle

ASSAM CARE LAVA
LEASE ARID EBON
ARMSAKIMBO GATE
TIROS STEW
LOAF POL EIDER
ACROSS RECTI
SHOOT PENCHANT
TESTERS ALAMORT
RETREATS GORIA
HEATH MANSER
SHEOL ENE DESK
STAB TRUTH
HEMI TOETHELINE
OVAL ERAT RENEW
WELL ATTY DONEE



KAIFU'S FIRST GUEST — Prime Minister Margaret Thatcher, the first Western head of government to visit Japan since World War II, was welcomed in Tokyo on Tuesday. In a meeting with Mr. Kaifu on Wednesday, she will stress Japan's surplus with Britain, which reached \$6.4 billion last year, and urge him to ease barriers against British imports.

U.K. Minister Admits Flaws But Backs Hong Kong Policy

By Daniela Deane

HONG KONG — The British minister with responsibility for Hong Kong conceded Tuesday that London's plan to selectively grant rights of abode to only some of the colony's citizens would be a divisive move, but he asserted that it was the only option.

"There is no way in which we can cover everybody," the official, Francis Maude, said at the end of his three-day visit to the British territory.

Asked if such a move would have divisive effects, Mr. Maude said: "It's clearly the case that if you give the right of abode to some and not to others, there are distinctions being made between people."

"That's an uncomfortable fact which has to be faced," he said. "There's no dodging that, there's no fudging it."

Although Mr. Maude brought no announcements of policy changes during his visit, the minister nevertheless won favor among the territory's politicians and pressure groups.

Analysts said the visit, Mr. Maude's first since taking office in July, went a long way in mending fences between London and Hong Kong.

Mr. Maude said London was "working hard" on a nationality package for Hong Kong, adding it should be announced in the next few months.

Under a 1984 British-Chinese agreement, Hong Kong will be returned to Chinese sovereignty in 1997.

Confidence in the British colony was shattered after the crushing of the pro-democracy movement in Beijing in June. Legislators and pressure groups have been pressing London since June to grant the majority of Hong Kong's 5.7 million residents the right to live in Britain.

The visit of the former British foreign secretary, Sir Geoffrey Howe, to the colony a month after Beijing's crackdown created anti-British sentiment and was considered damaging rather than positive, analysts and diplomats agree.

Sir Geoffrey was greeted by about 10,000 protesters on his arrival and was jeered at a luncheon with community leaders when he slammed the door on hopes that Britain would extend residency rights to Hong Kong citizens.

In contrast, Jimmy McGregor, who is a legislator, said he felt Mr. Maude was "a man who could propose changes very strongly."

The Reverend Lo Lung-kwong, a representative of the pressure group Hong Kong People Saving Hong Kong Campaign, said: "Mr. Maude gave me an impression that he is adopting a new perspective in dealing with matters of Hong Kong compared with the former Foreign Secretary Sir Geoffrey Howe."

Comments by Mr. Maude during this week's visit clearly indicated

Britain's determination to forcibly repatriate to Vietnam those refugees not qualifying as political refugees, analysts said.

After touring one of the colony's detention centers for Vietnamese refugees Monday, Mr. Maude said the great majority of the 56,000 refugees in Hong Kong faced no alternative but repatriation to Vietnam.

Mr. Maude repeated that position Tuesday, adding adding that it was "most unlikely" that voluntary repatriation could solve the problem.

During the past year, only 424 Vietnamese among 3,455 cases reviewed by the government were classified as political refugees, according to a report made public this week.

Japan Bows to Pressure on Drift-Net Fishing Fleet

By David E. Sanger

TOKYO — Under pressure from the Western allies and more than a dozen South Pacific nations, Japan said Tuesday that it would cut by two-thirds the number of fishing boats permitted to deploy giant drift nets that sweep up large amounts of ocean life in their wake, including seabirds, seals and dolphins.

The action marked Japan's first major concession in an increasingly bitter international dispute over the use of drift nets, which had become a favorite tool of Japanese fishing fleets.

Environmentalists, scientists and fishermen have contended that the nets, about 50 kilometers (30 miles) long, devastate some species and threaten the food chain in the ocean.

Two months ago, 15 nations in the South Pacific demanded that Japan and Taiwan cease the practice, saying it was "indiscriminate, irresponsible and destructive."

But the Japanese action seems unlikely to end criticism of its fishing practices and its perceived slowness to act on environmental issues.

Japanese officials said Tuesday that they would not decide whether to ban the nets until a lengthy study of the effect of drift-netting was completed.

Nonetheless, starting in December, the beginning of the fishing season, the Japanese officials said that they would limit the number of drift-net boats in the South Pacific to 20.

In 1987, about 20 boats were sent out, but the drift-net fleet swelled to more than 60 boats as fishermen made widespread use of the huge nets. By some accounts, the boats caught 10,000 tons of tuna, or twice as much as New Zealand and 20 times more than Australia.

On another environmental issue, the Ministry of International Trade and Industry has said that starting Wednesday it will impose a ban on the importation of almost all types of ivory.

Japan announced sharp restrictions on ivory imports in June, but officials at the ministry said they had evidence of a large flow of ivory into the country in the days before the restrictions went into effect.

The officials said that in the days leading up to the new restrictions 20 to 30 tons of ivory were shipped into Japan, mostly from Hong Kong. Japan has imported 100 tons of ivory this year.

The ivory is used for everything from signature stamps to piano keyboards.

In 1988, a total of 100 tons also were imported, and the officials said that they feared the number would rise further if they did not take quick action.

Under Japan's three-month-old rules, direct imports from African countries are permitted, though not from third countries.

Drift nets have proven increasingly popular among the fishermen of Japan — along with those from South Korea and Taiwan — because they can trap large amounts of fish with small fishing crews.

The nets are cast in the evening when fish rise to the surface. When they are retrieved in the morning, observers say, birds and sea mammals are often caught in the fine mesh and the attempting to escape.

As a result, some U.S. officials have threatened to invoke a 1987 law that would put an embargo on the Japanese fishery products if drift netting continues unabated.

The Japanese government has insisted so far that the damage caused by the drift nets has yet to be proven.

But the Japanese officials apparently feared another wave of bad publicity about their environmental practices.

The Japanese fishing fleet is already under fire for its hunting of more than 700 whales a year for

research purposes, and diplomats in Japan have voiced concern that the drift-net issue would poison Japanese relations with a number of its Pacific neighbors, including Australia, New Guinea and Micronesia. Those countries have all expressed fears that their own fishing stocks will be markedly depleted.

Still the issue is prominent in Japan, where fishermen have a significant political voice. The governing Liberal Democratic Party, already under attack, was concerned about alienating them.

The chief spokesman of the government said that Japan would also send a patrol vessel to check on Japanese fishermen using drift nets, and would allow a representative of the South Pacific nations aboard to observe. Drift-net boats

will also be required to report the size of their catches.

The action in the South Pacific comes a few months after Japan reached an accord with the United States about unauthorized access to the North Pacific.

In Alaska and the Pacific Northwest, Japanese boats using drift nets were blamed for a sharp drop in the salmon take there last year.

41,000 Refugees Flown Home to Namibia by UN

Reuters

GENEVA — More than 41,000 refugees have returned to Namibia ahead of next month's independence elections in an airlift that stretched to Australia, a United Nations official said on Tuesday.

"The four-month operation has enjoyed the support of the international community and has been extremely successful," said Nicolas Bwakira, who heads the office of the United Nations High Commissioner for Refugees in Namibia.

Mr. Bwakira said at a news conference that the main difficulty was convincing South Africa to grant an amnesty to returning political opponents and preventing harassment once they were back.

He said 452 UN charter flights had transported refugees and their personal belongings from 41 countries. The bulk, 35,000, were airlifted from Zambia and Angola.

Computer 'Virus' Infects Network In Scandinavia

Reuters

COPENHAGEN — The biggest personal computer network of Scandinavia has been infected with a computer "virus" that could have wiped out its programs if it had not been detected, the head of the network said Tuesday.

Bjorne Wind, the director of the banking arm of the Danish postal system, Postgiro, said that the virus, a special set of instructions inserted into a computer program, was designed to reproduce itself in other programs but he did not say when it was first detected.

The virus would then have come to life and erased all the software programs it had infected in the network of 260 personal computers.

Mr. Wind said that the virus was discovered Friday and that 20 computer experts worked all weekend to eradicate it. The experts are now checking 200,000 diskettes on which data and programs are stored and which might have been infected.

The experts called colleagues around the world for help in tackling the program and obtained killer programs from the United States to locate and exterminate the virus, Mr. Wind said. He said that it was not clear how the virus got in.

The Daily Source for International Investors.

U.S. Proposes Global Body To Monitor Chemical Arms

Reuters

CANBERRA — The United States proposed Tuesday that an international body be created to monitor and help control the spread of chemical weapons.

Richard A. Clarke, deputy secretary of state for regional analysis, making the proposals at a 67-nation conference on chemical weapons, also asked other countries to acknowledge holding them.

The United States, the Soviet Union and Iraq are the only states to acknowledge that holding chemical weapons, but an estimated 15 to 20 countries possess chemical weapons capability, with at least a dozen believed to hold them.

It would also help "if other countries that possess such weapons would also step forward and acknowledge the fact," Mr. Clarke said.

He told the opening of the four-day conference that an international agency of experts could "explore verification procedures, monitor and analyze trial inspections, ex-

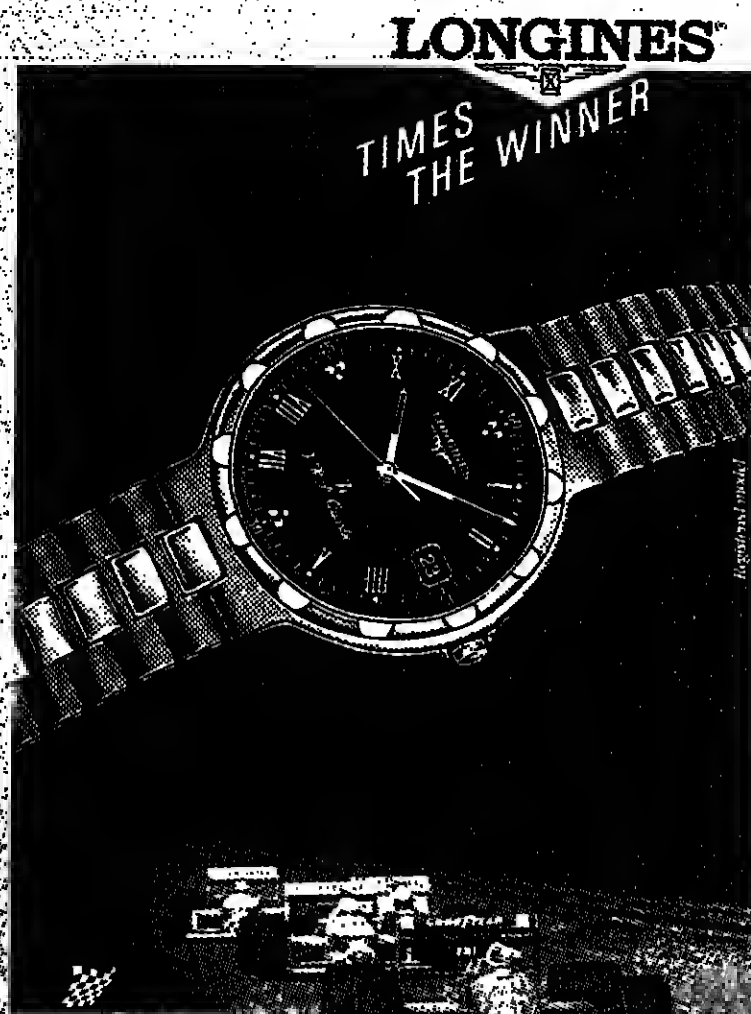
plore methods of safely destroying chemical weapons.

The U.S. move was backed by a self-policing agreement by the U.S. chemical industry to monitor the sale of all chemicals capable of producing weapons, such as mustard gas.

The measures, covering some 175 U.S. companies representing 90 percent of U.S. chemical producers, are to be put in place immediately, the conference was told by Ernest H. Drew of the board of directors of the Chemical Manufacturers Association.

The two moves, both endorsed by the Soviet Union, precede U.S.-Soviet talks later this week on an agreement to disclose and verify each others' chemical weapons capabilities.

An agreement, barring last-minute hitches, is expected to be reached in talks at Jackson Hole, Wyoming, on Friday and Saturday between Secretary of State James A. Baker 3d and Foreign Minister Eduard A. Shevardnadze of the Soviet Union.



Wanting calls for many qualities, not least shrewd judgement. So does choosing a watch. Which is why so many winners choose Longines. Combining elegance with super-accuracy, the outstanding Longines Conquest V.H.P. (Very High Precision) is probably the most advanced watch in the world. A watch made for winners in every field.

LONGINES

Longines times winners — winners choose Longines.

Save up to 50% or more off your newsstand price when you subscribe.

Rates shown are for six — not five — full issues per week.

Country/Currency	12 months + 52 ISSUES	ONE-YEAR SAVINGS	6 months + 26 ISSUES
Austria	A.Sch. 4,400	3,608	2,500
Belgium	B.Fr. 11,000	7,200	6,000
Denmark	D.Kr. 2,700	1,304	1,500
Finland	F.Mk. 1,760	1,334	970
France	F.Fr. 1,500	1,230	830
Germany (mail)	D.M. 580	403	320
—hand delivery	D.M. 739	103	379
Great Britain	£ 140	96.60	77
Greece (mail)	Dr. 29,000	25,600	16,000
—hand delivery Athens, Thessaloniki	Dr. 33,000	21,600	18,000
Ireland	£Ir. 155	136	85
Italy	Lire 420,000	308,000	231,000
Luxembourg	L.Fr. 11,000	7,200	6,000
Netherlands	FL 600	492	340
Norway (airmail)	N.Kr. 2,000	1,276	1,100
—hand delivery	N.Kr. 2,500	776	1,400
Portugal	Esc. 29,000	29,240	16,000
Spain (mail)	Ptas. 32,000	22,600	17,600
—hand delivery Barcelona, Bilbao, Seville	Ptas. 32,000	22,600	17,600
—hand delivery Madrid	Ptas. 46,800	—	23,400
Sweden (airmail)	S.Kr. 2,000	1,276	1,100
—hand delivery	S.Kr. 2,500	776	1,400
Switzerland	S.Fr. 455	455	255
Rest of Europe, North Africa, former French Africa, Middle East	\$ 470	Varies by country	260
Rest of Africa, Gulf States, Asia	\$ 620		340
Central/Latin America	\$ 540		295

Offer valid through December 31, 1989 for new subscribers only.

INTERNATIONAL Herald Tribune

To: Subscription Manager, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92521 Nantilly Cedex, France. Tel.: (1) 46 37 93 61. Telex: 612832. Fax: 46 37 06 51.

Please check the subscription term you desire:

☐ 52 extra issues with a 12-month subscription (14 months in all). ☐ 26 extra issues with a 6-month subscription (7 months in all).
☐ My check is enclosed. ☐ Please charge my credit card:
☐ Access ☐ Amex ☐ Diners ☐ Visa ☐ Eurocard ☐ MasterCard

Card expiry date: _____ Signature: _____

Card account number: _____

Name: _____ Tel./Telex: _____

Address: _____

City: _____ Country: _____ 20-9-89
 * In West Germany, please contact Foreign Press Service, Gleisstrasse 5, D-6872, Hockenheim, Talsheim, or telephone: (06225) 20 133; telex: 465 626. Hand delivery is available in major cities. Rates do not include free issues.
 ** At these rates, you can get morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Göteborg and Malmö.
 *** At these rates, hand delivery is available by morning in Barcelona, the same day in Seville and the next day in Bilbao. For Madrid, hand-delivery is available by morning, but without the free issues.

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
 Head office in New York
 330 W 54 St NYC 10019
 212-765-7896
 MAJOR CREDIT CARDS AND CHECKS ACCEPTED

MERCEDES VIP ESCORT AGENCY
 9 AM TEL MONDAY - 7 DAYS
 MAJOR CREDIT CARDS ACCEPTED
 TEL: LONDON (01) 351 6446

LONDON KENSINGTON ESCORT SERVICE
 10A Kensington Church St, W8
 Tel: 927 9136 or 927 9133
 All major credit cards accepted.

LONDON Portman Escort Agency
 67 Portman Square
 London W1
 Tel: 486 9794 or 486 1159
 All major credit cards accepted

BELGRAVIA ESCORT SERVICE
 CENTRAL LONDON
 7 DAYS A WEEK
 CREDIT CARDS ACCEPTED
 LONDON 362 9284

MADRID MEDEA

 Escort Service
 Tel: 341 262 9993

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

ESCORTS & GUIDES

ARISTOCATS
 London Escort Service
 3 Grosvenor Place, London W1
 All major Credit Cards Accepted
 Tel: 01-286 0090 (2 LINES)
 12 noon - midnight

ULTIMATE '10'
 212-688-1741
 NEW YORK ESCORT SERVICE

MAYFAIR CLUB ESCORT SERVICE
 51 Grosvenor Place, London W1G
 KOTTERDAIN (0) 10-425-4155
 THE HAGUE (0) 70-607996

CAPRICE-NYC ESCORT SERVICE
 212-737-3791

CROWN CLUB LTD
 NEW YORK ESCORT SERVICE
 (212) 688-2271

GENEVA * MELODIE
 ESCORT SERVICE. Tel: 022/46 11 58

ESCORTS & GUIDES

AT YOUR SERVICE, London
 Escort Agency, 281, 281, Sun-12pm

****ZURICH****
 Carriage Escort Service 01/252 6174

PRISTINE ESCORTS/NYC
 212-754-1940/754-1949

MUNICH * 91 23 14 *
 The Friendly Escort Service

****ZURICH****
 Top Escort Service. Tel: 01/41 76 09

THYLIER ESCORTS
 = ZURICH Tel: 341 64 24 =

ESCORTS & GUIDES

NEW IN BRUSSELS / BACCARA S
 Exclusive VIP Escort Service
 Tel: 02/73 97 06
 All credit cards. 02/73 97 06

****LONDON PARES LINK****
 Escort Service. London (01) 261-1129

GENEVA * TOP ESCORT SERVICE
 Escort Service. Tel: 01-261-1129

LONDON * EXCEPTIONAL TOP CLASS ESCORT SERVICE
 Escort Service. Tel: 01-261-1129

GENEVA FAVORITE ESCORT
 and Guide Service. Tel: 022/71 57 46

GENEVA * TOP ESCORT SERVICE
 Escort Service. Tel: 01-261-1129

ESCORTS & GUIDES

FRANKFURT AREA
 (Olo's) first German Escort Service
 Tel: 069/65 79 39 daily

LOTOYO 1930 1940
 Exclusive VIP Escort Service
 Tel: 02/73 97 06

AMSTERDAM BERNADETTE ESCORT
 Escort Service. Tel: 020/33 03 33

GENEVA * TOP ESCORT SERVICE
 Escort Service. Tel: 01-261-1129

MAURICE * CHRISTIE
 Escort Service. Tel: 021 571 52

GENEVA DANY ESCORT
 Escort Service. Tel: 021 571 52

IHT EXTRAS
 Full weekend sports results in Monday's IHT
 Friday's market closings in Saturday's IHT



Deng Xiaoping, China's top leader, at a Beijing meeting Tuesday with a Japanese lawmaker. Mr. Deng had been rumored to be ill.

Deng Reappears and Makes Jokes About Reports He Had Been Sick

By Nicholas D. Kristof

New York Times Service

BEIJING — Appearing healthy and lucid, Deng Xiaoping, China's senior leader, made his second public appearance in four days Tuesday and laughed at foreign rumors that he had been ill.

"Some people said I died or was seriously ill," Mr. Deng told a leading Japanese politician, Masayoshi Ito. "That caused fluctuations in the financial markets in Hong Kong. A few days ago, I met Professor T.D. Lee, and when the news reached Hong Kong, the stock market there picked up. Actually, I've been very well the whole time."

Mr. Deng's meeting on Saturday with Professor Lee, a Nobel laureate in physics from Columbia University, was shown on television and marked the first time in more than three months that Mr. Deng had been seen in public, but it was difficult to judge the state of his health from the TV picture. No foreigners were present at the meeting aside from Mr. Lee and his

wife, and they refused to talk to reporters afterward.

The meeting Tuesday, on the other hand, was attended by Japanese Embassy officials, and they confirmed that Mr. Deng seemed in good health.

"He looked great," a Japanese said. "And he didn't change at all over the course of the hour of conversations."

Most of the meeting was taken up by discussion of Chinese-Japanese relations, which both sides said were important and should be preserved. Mr. Deng said that the Chinese side noticed "some difference" in attitude between Japan and other nations at a Paris summit meeting this summer of seven industrialized nations. The meeting condemned China's military crackdown against the democracy movement, and Mr. Deng's remark was likely to embarrass the Japanese by suggesting that Japan was not taking a firm position against the crackdown.

Japan, like the United States, has

Widening Sway of Aging Hard-Liners Is Said to Worry Deng

By Daniel Southerland

Washington Post Service

BEIJING — Deng Xiaoping, the country's senior leader who emerged from three months of seclusion last weekend, is becoming increasingly concerned by the enhanced influence of hard-liners in the party and government, according to Chinese sources.

The sources said Mr. Deng feared that the economic changes he introduced more than a decade ago may soon be rolled back by the hard-liners, who include Prime Minister Li Peng and many aging revolutionaries and army veterans whom Mr. Deng himself called back into service to suppress the student-led democracy movement in June.

The changes, which took a back seat to the leadership's efforts to quell a rebellion that threatened the primacy of the Communist Party, were intended to transform a rigid, Soviet-style economy into one more responsive to production incentives and market forces. While paying lip service to these changes, Mr. Li and several other

leaders have emphasized a renewal of central controls over the economy.

China has entered a critical period when it needs to project an image of stability and unity in order to renew the flow of investments and bank loans from the West and Japan, which were suspended following the Beijing massacre of June 3-4. But some Western businessmen argue that martial law creates an image of instability and that the presence of soldiers in the capital city discourages investment.

Despite an atmosphere of outward calm, Beijing remains in inner turmoil because of a power struggle, popular opposition to the government, and a failure to resolve economic problems.

One Western analyst said that opposition was so great in the capital that martial law, imposed four months ago, might be kept in place for another year.

The analyst said that many Chinese Army officers favor lifting martial law, because they believe it detracts from attempts to maintain a more professional, nonpoliticized military force. Some political leaders would apparently also like to

end martial law to give the country a new look and persuade Western bankers and businessmen to reopen links.

But a number of top leaders, such as President Yang Shangkun and Mr. Li, favor its continuation, the analyst said. He said that a martial law "leading group," comprising senior officials making recommendations on martial law, has rejected arguments for lifting martial law in the near future.

The analyst said that the leading group, whose existence has never been publicly acknowledged, includes Mr. Li, Mayor Chen Xitong of Beijing, and Liu Housheng, a former navy commander and now a member of the Communist Party's Central Military Commission.

Mr. Deng, 85, made his first public appearance in more than three months last weekend, ending speculation that he is seriously ill or incapacitated. Diplomats say that Mr. Deng wants to bolster the position of more "moderate" leaders in the Politburo, such as the Communist Party chief, Jiang Zemin, and Mayor Li Ruihuan of Tianjin.

Some diplomats expect Mr. Deng to try to give Jiang Zemin a leadership position on the Central Military Commission controlling the army, which Mr. Deng himself now heads. Mr. Deng might make such a move at a plenary session of the party's Central Committee, which is expected to be held next month.

But the diplomats said there would be widespread opposition within the army to such a move. Mr. Jiang, a Soviet-trained engineer, has no military background and no known connections with top military leaders.

In a talk with eight other leaders on June 16, Mr. Deng is said to have designated Mr. Jiang as the "core" Chinese leader. Mr. Deng urged the other leaders to rally around him and called for an end to "disputes and debates" among the top leaders for at least two years, the sources said.

Western diplomats say that far from sending out signals that might encourage a resumption of loans and investments, some Chinese leaders have been emphasizing the need to oppose the West's alleged attempts to overthrow China's communist govern-

ment. Diplomats cite in particular a number of statements made recently by Mr. Li.

"At a time when they should be trying to calm international opinion and bring back the loans, they're talking about Western nations trying to sabotage the Chinese government," said a Western diplomat. "If I were a businessman, I'd be reluctant to come back into China. I'd wait and see."

"If your capitalists want to lose the Chinese market, they can — that's their problem," said Mr. Li in a recent interview with the French newspaper *Le Figaro*.

The World Bank is expected to decide shortly to resume loans to China that it suspended in early June, but many commercial banks halted lending as well. The United States suspended weapons sales to China, and the U.S. Congress is now considering further sanctions.

A Japanese parliamentary delegation is currently visiting China and its findings on China's political stability could be of crucial importance. The Japanese government promised China a package of loans worth more than \$6 billion last year but suspended the agreement in June.

Pullout May Imperil Vietnam Moderates

By Keith B. Richburg

Washington Post Service

HO CHI MINH CITY — Vietnam's planned troop withdrawal from Cambodia, which begins this week, is likely to strengthen the hand of Communist hard-liners in Vietnam if the pullout does not bring benefits in Western aid and trade quickly, according to Viet-

namese officials and foreign analysts.

Vietnamese moderates advocated the unilateral troop withdrawal partly as a way to end the country's international isolation, normalize ties with Washington, and gain access to Western aid to help restructure the economy on free-market principles.

But Western countries have blamed Vietnam for the collapse last month of an international conference in Paris aimed at solving Cambodia's internal political stalemate, and they now are refusing to recognize the troop withdrawal as genuine.

For the time being, they have said, the international economic embargo of Vietnam will continue.

Vietnamese and foreign analysts said international skepticism on the troop pullout and the continuation of the boycott may already have undermined the position of the moderates in the country's leadership struggle.

The foreign minister, Nguyen Co Thach, as the chief architect of the "opening to the West," is considered particularly vulnerable.

Mr. Thach has long advocated cooperation with the West — particularly with the United States in bilateral issues such as missing American servicemen — in exchange for eventual improvement in relations. But he has been under increasing pressure from hard-liners to show some results, observers said.

Speculation about Mr. Thach's position intensified last month when he canceled a trip to Japan, citing ill health. But he later went to Geneva, where he gave a speech reaffirming Vietnam's commit-

ment to continue its policy of liberalizing the economy and courting foreign investment.

The other leading moderate in the leadership is the party general secretary, Nguyen Van Linh, who appears popular among the Vietnamese public as a champion of change but whose position in the Politburo has always been considered tenuous.

In the last few weeks, Mr. Linh has made several surprisingly hard-line statements, attacking the United States and President George Bush, which led many analysts to suspect that he also was coming under pressure from party conservatives.

In a speech on Vietnam's national day on Sept. 2, Mr. Linh reaffirmed his country's willingness to open to foreign investment, but he firmly ruled out the kind of political pluralism being pursued in Eastern Europe and the Soviet Union.

"Democratization is now essentially directed at the economic domain," Mr. Linh said. "It is not our policy to hasten renovation of the political system while preparations are still inadequate. Neither is it our intention to effect limitless democratization. That would mean political liberalization."

In a speech to party leaders last month, Mr. Linh blasted international "imperialists," including Mr. Bush, accusing them of trying to undermine world socialism by supporting opposition movements in the Soviet bloc.

One Vietnamese source said that a Linh aide later assured a Western ambassador in Hanoi that these words were intended to appease hard-liners in the leadership and

should not be taken to mean any significant change from the policy of economic liberalization.

A foreign resident in Ho Chi Minh City said that even with the hardening tone in Hanoi, the economic changes initiated so far — allowing more private businesses, for example — were unlikely to be reversed.

"There have been enough benefits of the reforms already to convince enough people that this is the correct path," he said.

Analysis said that the decision to withdraw from Cambodia may have been the subject of much more intense debate within the leadership than previously reported.

What probably tipped the balance in favor of the withdrawal, they said, was resiveness in the armed forces.

"One thing on Mr. Thach's side is that General Le Duc Anh, the defense minister, wants to get out as much as anyone," said the foreign observer, who has a long history studying the Vietnamese leadership. "General Anh wants to improve the living conditions of his soldiers more than he wants to hold territory in Cambodia. Like any army, they don't want to be bogged down in a war they can't win."

Bush's Mother Hospitalized

The Associated Press

GREENWICH, Connecticut — Dorothy Walker Bush, 88, the mother of President George Bush, was in fair condition Tuesday at a hospital where she was admitted Monday for treatment of pneumonia, a spokeswoman said.

Singapore Condemns Vietnam 'Aggression'

Reuters

BANGKOK — Prime Minister Lee Kuan Yew of Singapore said Tuesday that Vietnam must not be allowed to get away with its aggression in Cambodia, but he reaffirmed his commitment to an overall settlement.

Mr. Lee also said he favored military cooperation between Vietnam and Southeast Asian nations after the Cambodian conflict is resolved.

Mr. Lee was speaking in Bangkok as Thailand pursued an independent initiative to stop the fighting in Cambodia that included talks with both Vietnamese and Cambodian government leaders.

In an address to the National Defense College, Mr. Lee said: "If Vietnam can get away with a partial settlement of the Cambodian problem and win through the peace process what she has failed to gain on the battlefield, then it means aggression is profitable."

"This will encourage aggression some time again in the future."

Mr. Lee added, however: "I am a great believer in more interaction between armed forces, both between friends and potential enemies. Not to do so is to live in the dark and fantasies can be dangerous."

Despite Mr. Lee's often tough public stance, Singapore businessmen are among the

leading traders with both Indo-Chinese nations, supplying consumer goods, cars and motorcycles to Cambodia and many different products to Vietnam.

Singapore, like other countries of the Association of South East Asian Nations — Brunei, Indonesia, Malaysia, the Philippines and Thailand — dismisses Vietnam's assertions that it is withdrawing all its forces by Sept. 26 because there is no independent monitoring mechanism.

It demands a political settlement that will bring in all three guerrilla factions, including the Khmer Rouge, in a coalition government.

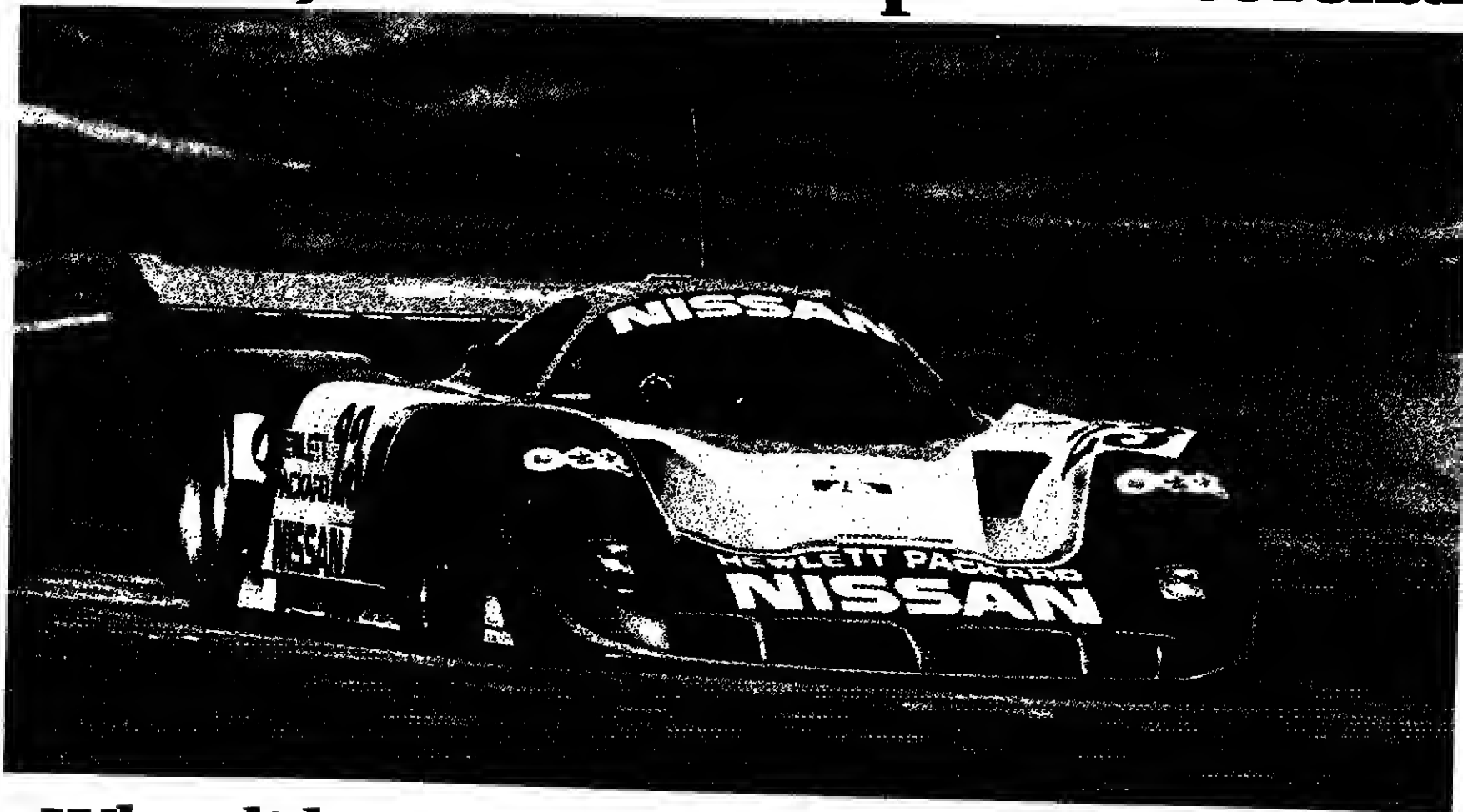
In an interview with the Bangkok Post, Mr. Lee said he saw little hope of a last-minute breakthrough on the Cambodian deadlock.

The prime minister of Cambodia, Hun Sen, arrived in Bangkok on Tuesday to try to revive the peace process with officials in Thailand. He was to meet the prime minister of Thailand, Chatichai Choonhavan.

The two were expected to discuss a Thai plan for a cease-fire in Cambodia.

In Phnom Penh, a senior member of the ruling party Politburo, Chea Sim, urged foreign countries to stop arming the Cambodian resistance, saying they would be responsible for any increased bloodshed.

Two weeks ago, we did it at Donington Park. Last Sunday, we did it at Spa Francorchamps.



What did we prove? Nissan builds a better car.

When we finished in the winners' circle at Donington Park two weeks ago, more than a few heads turned. And when we did it again at Belgium's Spa Francorchamps circuit last Sunday, people really took note. Because at Spa Francorchamps, a Nissan R89C was one of the top three finishers in the seventh race of the 1989 WSPC series. And it was equipped with the same type of VRH35 3.5-litre V8 twin turbo engine that powered us to glory at Donington.

It was an outstanding performance that proved what innovative engineering and hard work can achieve. Naturally, we're delighted with the result from both races. But win or lose, we're happy just to have an opportunity to prove ourselves on the world's most demanding racing circuits. Because there we can test ourselves to the limit, and refine the technology that it takes to deliver winning performance on — and off — the track.

Nissan. The proof is in the performance.

NISSAN

Optimism Marks UN Assembly Opening

By Paul Lewis
New York Times Service

UNITED NATIONS, New York — The UN opened its 44th General Assembly on Tuesday as the organization's prestige and support from the Soviet Union are growing.

President George Bush, a former chief U.S. representative at the United Nations, is scheduled Monday to make his first address to the General Assembly since taking office.

The speech, diplomats say, will give him a chance to reply on behalf of the West to the ambitious proposals for strengthening the United Nations set out by President Mikhail S. Gorbachev of the Soviet Union in his General Assembly address last year.

These proposals ranged from creating a "Security Council for the environment" to strengthening the organization's peacekeeping role.

Many diplomats say they are concerned that the Soviet Union's growing enthusiasm for the organization is not matched by the United States, and that the real depth of U.S. support remains untested.

Over the last two years, the United Nations has begun cost-cutting and internal reorganization as well as playing an especially useful role in helping to resolve various regional conflicts.

After brokering the Soviet withdrawal from Afghanistan and the cease-fire in the Iran-Iraq War, it is now helping on a Namibian independence plan and working on conflicts in Central America.

The basic reasons for the organization's increasing success as a peacemaker, which are improved

Soviet-U.S. relations and the reversal of Moscow's longtime suspicion toward the organization, also suggest that the fortunes of the United Nations will continue to improve.

"The United Nations had degenerated into a propaganda instrument instead of a tool of serious diplomacy," Ronald I. Spiers, the new U.S. undersecretary-general for political and General Assembly affairs, said at a news conference Monday.

"But we now see a basic change in international relations, with the re-emergence of the consensus between the great powers assumed in the United Nations Charter."

A Western diplomat was even more optimistic. "This is the first General Assembly since the organization's earliest days when most delegates think a new era is beginning," he said.

Prime Minister Margaret Thatcher of Britain, Prime Minister Gro Harlem Brundtland of Norway and Prime Minister Geoffrey Palmer of New Zealand are the only other Western heads of government expected to address this year's General Assembly, which will continue until late December.

About 20 heads of state and government from the developing world plan to attend.

Many diplomats say the General Assembly must keep up pressure on Afghanistan, Cambodia, Cyprus and Western Sahara to settle internal disputes, as well as pushing Iran and Iraq toward a formal peace agreement and the exchange of prisoners of war, to sustain its reputation as a peacemaker.

The Bush administration has praised the work of the United Nations only in general terms, although it has asked Congress to pay all U.S. dues this year as well as to start paying off other withheld dues.

But while Congress is likely to fully finance the United Nations, officials see little chance it will pay its back dues. The UN financial position remains precarious, largely as a result of the overdue American payments.

At the end of August, the United States owed the regular budget \$491.1 million, which amounted to two-thirds of the total \$688 million in outstanding dues.

The United States also owes \$254.1 million on the bill for UN peacekeeping operations.

Sculpting Terror: The Stalin Memorial

By Esther B. Fein
New York Times Service

MOSCOW — What is the proper way to remember the victims of Stalin?

Would a pyramid of skulls bring to mind the tens of millions of people killed in labor camps and prisons or starved to death in their villages? Would a cube of black granite crushing a sculpted mass of people remind society of the terror felt by millions of Soviet citizens left to the mercy of an oppressive regime? Would a statue of a family entwined in barbed wire keep future generations from letting a despot rule them?

Those questions echo at the Donskoy Monastery in Moscow, where an old cathedral is filled with nearly 200 entries in a design competition for a monument to those who lived and suffered and died under Stalin.

Thousands of people have visited the exhibit since it opened in August, and more come every day. Many write notes as they leave to express a preference for ideas that touched them. Others simply write of their own experiences.

"I see my life in every one of these projects," scribbled one woman, who signed her name simply Anna P. and said that her husband had been taken to Lubyanka Prison in Moscow in 1949 and was never heard from again.

The competition is sponsored by an independent group called Memorial, along with the Culture Ministry, the State Committee for Architecture, the Soviet Academy of Arts, the Artists' Union and the Architects' Union. The government has pledged to finance the project, but has not yet specified how much money it will allocate.

On Thursday, a jury chosen by the groups will select 10 finalists from the 176 entries. A

second round of competition will begin on Sept. 30, and by Christmas a winner is expected to be announced.

"It is difficult to embody all the sufferings of people in one image," said Yevgeni P. Orlov, a Culture Ministry official involved in the contest. "Many people suffered in different ways. And perhaps public opinion has not

'It is difficult to embody all the sufferings of people in one image.'

Yevgeni P. Orlov, a Culture Ministry official

yet ripened enough to give birth to an idea that embodies everything in one image."

The idea of building a memorial to Stalin's victims was raised two years ago by Memorial, a group of lawyers, scholars, artists and historians, many of whom suffered under Stalin or were the children and grandchildren of those who had.

They fought official apathy, resistance and not infrequent hostility to their project until Mikhail S. Gorbachev, the Soviet leader, announced at a Communist Party conference in July 1988 that a memorial would be built to the victims of Stalin's purges.

But once the authorities had endorsed the plan, they began trying to edge out the group that first inspired it. In December, without consulting Memorial, the Culture Ministry announced a design competition. The ministry's project seemed less ambitious than the one envisioned by Memorial, a simple monument instead of a center with archives and a museum.

After extensive negotiations, Memorial and government representatives finally agreed to sponsor the contest and select the jury together. But discord remains, and it is not clear whether the monument will in fact be a complex.

The models on display at the monastery are on the whole of poor professional quality. Many of them seem more a cathartic experiment for the artist than a serious, workable proposal for a monument.

One entry shows a sculpture of Stalin hovering like a spider over a round building; the explanation accompanying it says that it symbolizes Stalin entwining the country in a web of prisons and labor camps. Another entry suggests a huge granite copy of Stalin's famous pipe, with the hands of his victims sticking out of the bowl.

A great many of the proposals reflect the socialist realism that was the only acceptable art form under Stalin: heroic military officers carved into massive stone, a woman stretching her arms heavenward.

Alexander S. Trofimov, an artist who was visiting the exhibit, said the quality of the entries showed that art itself was among the victims of Stalinism. "It saddens me to see this work," he said. "Art, music, culture have their own laws, and they were just destroyed. And now this is the result."

There is a distinct religious theme that runs through many of the projects, reflecting a resurgence in religion in the country. Several proposals show a man crucified, one of them inside a star, a symbol of Soviet power.

The artists, whose works are submitted anonymously, were asked to suggest a site for their projects. Many imagined their work in Red Square, or facing the nearby KGB headquarters.

In New Style, South African Police Meet Protesters Without Violence

JOHANNESBURG — The South African police used a new hands-off approach to stop a protest march on Tuesday by black hospital workers.

About 300 demonstrators set out from Johannesburg general hospital toward the city's supreme court. After walking a kilometer (over half a mile), they were confronted by police.

Officers armed with tear gas canisters and batons blocked their path and ordered them to disperse. But the police did not charge against the demonstration.

After about 15 minutes, the workers, who were protesting a court order by their management restricting industrial action, began to drift back to the hospital.

Journalists and cameramen were ordered to move aside, but did not have to leave the scene as they had been told to do on previous occasions. Under South Africa's three-year-old state of emergency, the news media are not allowed to witness police action.

Lieutenant Colonel Frans Malherbe said the march was stopped because the protesters had not applied to the city magistrate for permission.

Last week authorities allowed mass demonstrations in Johannesburg, Cape Town and Pretoria, signaling a milder government approach to political dissent.

In another development, South Africa's biggest trade union said Tuesday that police had arrested one of its key officials and accused the government of conducting a secret war of attrition against black activists.

The 260,000-member National Union of Mineworkers said the police detained its press officer, Jerry Majatadi, on Saturday and were holding him under the emergency laws, which permit indefinite detention without trial.

The union said the police had raided at least four union offices over the past few weeks and in one case had assaulted unionists in Rustenburg, north of Johannesburg.

In a statement, the union said the new government of Frederik W. de Klerk, "while on the surface calling for talks with black leaders, is in fact conducting a secret war of attrition." This was aimed at silencing and removing from the public

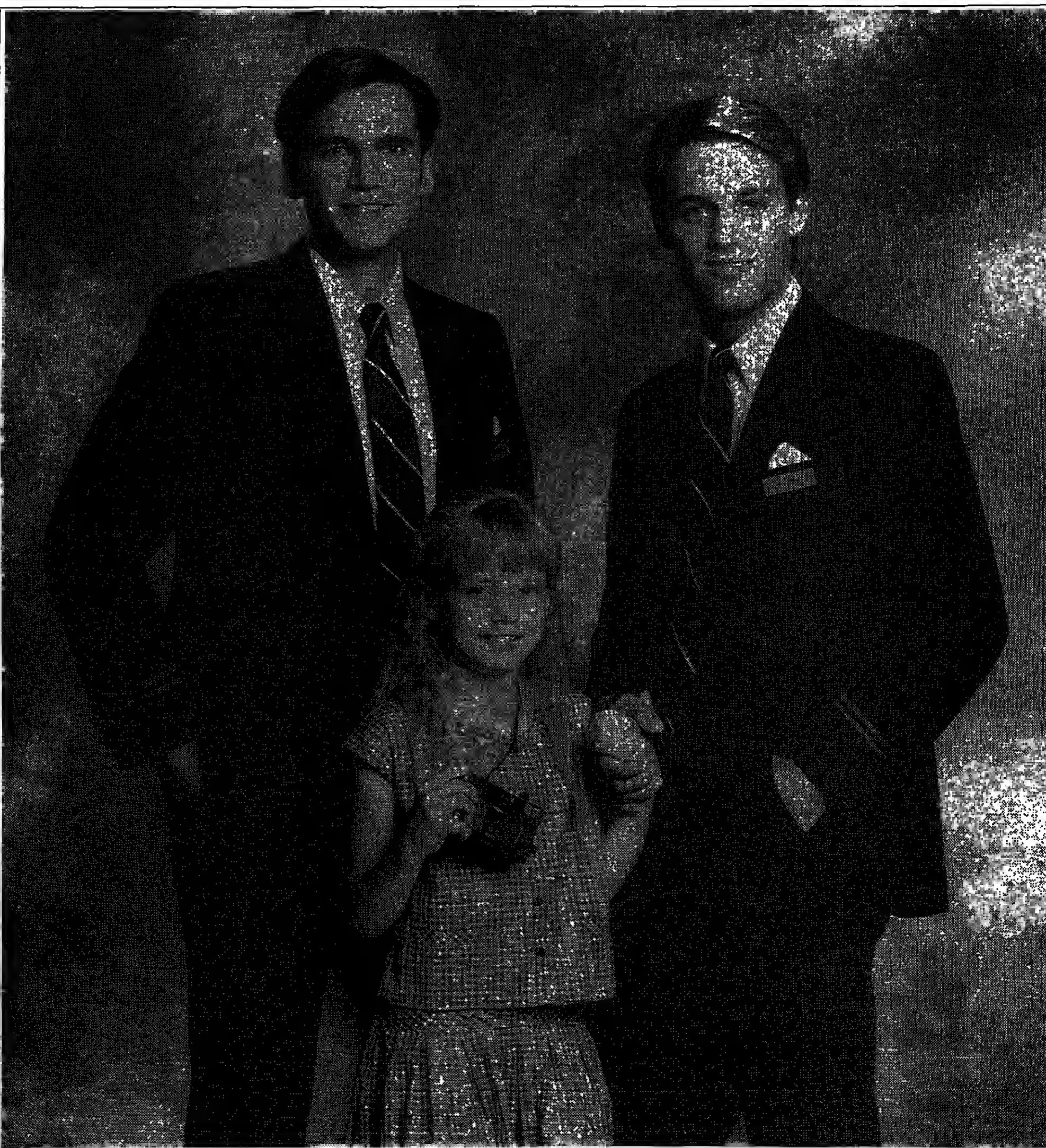
arena activists and spokesmen for the trade union movement, the union said.

The police have detained several dissidents in the past few weeks, including Mohammed Valli Moosa, Tinas Mafolo and Cornick Ndlovu, all senior officials of the United Democratic Front anti-apartheid coalition.

Pay in Imports Brings Big Soviet Berry Crop

MOSCOW — Berry-pickers in the Soviet Far North gathered 10 times more blueberries and cranberries than usual this year after a Swedish-Soviet firm offered to pay them with foreign fashions and consumer electronics, according to the Soviet news agency Tass.

In the first indication that foreign firms might be able to pay Soviets directly with imports, Tass said that cooperatives in the Murmansk area gathered 100 tons of blueberries and 500 tons of cranberries, a type of tundra cranberry, for Arukhryuz, a Swedish-Soviet joint venture — or 10 times more than in their most productive years.



After the little girl lost her camera, it took Tim and Art to make things click again.

Among the passengers on Flight 804 from JFK to Paris was a 10 year old called Marckey. For her, the trip turned into near misery when she misplaced her camera.

Enter TWA's Arthur Costa

and Tim Sanders, part of the airline's ground staff team. Yet, in spite of retracing Marckey's every move, they still failed to find the camera.

So Tim and Art dipped into their pockets and replaced the

camera from the Duty Free shop. Of course we can't say that every one of our ground staff would respond to a crisis the same way that Tim and Art did.

All we will say is that as an example of what TWA mean by

service and commitment to our passengers, they don't come any better.

And anyone who can get New York a reputation for being tender-hearted deserves all the plaudits they get.

TWA

For the best of America.

ATLAS SECO 1989

Le premier Atlas
économique mondial
en langue française.
Vendu dans le monde
entier. 204 pays
d'Afghanistan à
Zimbabwe.

Broché : 85F
Vente en kiosque

Relié : 125F
Vente en Librairie

BON DE COMMANDE

A renvoyer à SGB - 9 rue d'Aboukir - 75002 PARIS -
Accompagné du règlement par chèque ou CCP.

Je désire recevoir la dernière édition *Atlas Seco*.

NOM :
PRENOM :
ADRESSE :

Broché : France 100F Etranger 120F Etranger Avion 150F
Relié : France 150F Etranger 170F Etranger Avion 200F

Dès réception nous vous enverrons votre *Atlas Seco*.

"Progress is the realization of Utopias."

Oscar Wilde



Making dreams come true is both a poetic and an accurate definition of progress.

Consider man's ancient dream of "automation," fulfilled at last by the automobile a century ago.

And mankind's dreams have also gone farther refusing to remain earthbound. They have enabled him to soar like a bird, to explore distant planets.

And today, science continues to uncover new mysteries and realize ever bolder dreams, both on earth and beyond.

Through the merged resources of our Mercedes-Benz, AEG, and Deutsche Aerospace corporate units, functioning within

the newly formed Daimler-Benz Group, we are gaining a whole new spectrum of opportunities for progress.

We will continue to build the best automobiles in the world, and constantly improve their safety and environmental compatibility.

Utilizing shared knowledge and experience from all the Daimler-Benz corporate units, we will create new concepts in aviation, aerospace and the communications sciences.

With our new business structure and approach, we will turn dreams into growth opportunities.

DAIMLERBENZ

Solti and Chicago: A Farewell Tour

1999 10 11 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1041 104

NYSE Most Actives				
Vol.	High	Low	Close	Chg.
Avon	22 1/2	22 1/4	22 1/4	-1/4
Boeing	10 1/4	10 1/4	10 1/4	0
IBM	10 1/4	10 1/4	10 1/4	0
Intel	10 1/4	10 1/4	10 1/4	0
Microsoft	10 1/4	10 1/4	10 1/4	0
Oracle	10 1/4	10 1/4	10 1/4	0
Sealed Air	10 1/4	10 1/4	10 1/4	0
Verizon	10 1/4	10 1/4	10 1/4	0
WorldCom	10 1/4	10 1/4	10 1/4	0
Yahoo	10 1/4	10 1/4	10 1/4	0

Market Sales				
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Index				
Composite	High	Low	Close	Chg.
Composite	192.48	192.48	192.48	+0.05
Industrials	192.48	192.48	192.48	+0.05
Technology	192.48	192.48	192.48	+0.05
Finance	192.48	192.48	192.48	+0.05

AMEX Diary				
Advanced	High	Low	Close	Chg.
Advanced	251	251	251	+22
Industrials	251	251	251	+22
Technology	251	251	251	+22
Finance	251	251	251	+22

NASDAQ Index				
Composite	High	Low	Close	Chg.
Composite	457.25	457.25	457.25	+0.16
Industrials	457.25	457.25	457.25	+0.16
Technology	457.25	457.25	457.25	+0.16
Finance	457.25	457.25	457.25	+0.16

AMEX Most Actives				
Vol.	High	Low	Close	Chg.
Boeing	10 1/4	10 1/4	10 1/4	0
IBM	10 1/4	10 1/4	10 1/4	0
Intel	10 1/4	10 1/4	10 1/4	0
Microsoft	10 1/4	10 1/4	10 1/4	0
Oracle	10 1/4	10 1/4	10 1/4	0

AMEX Most Actives				
	Vol.	High	Low	Last
Somby's	5219	31 3/4	28	31 1/4
RAT	4522	3 3/4	12	13
AC	3913	18 1/4	17 1/4	18
Amcofi	3291	16 1/2	15	16
Sol-Pn	2713	21 3/4	19 1/4	21 1/4
Fruttl	2173	14 1/4	13 1/4	14 1/4
NRM of	2468	7	6	6 3/4
Cheffco	2248	12 3/4	11 1/2	12 1/4
Gundie's	3141	12 1/4	11 1/4	12 1/4
ENSCO	1952	30 1/4	29 1/4	30 1/4
Tealor	1819	18 1/4	17 1/4	17 1/4
AT&E	1729	14 1/4	13 1/4	14 1/4
Telecom	1800	40 1/4	39 1/4	40 1/4
WombB	1451	8 1/4	8 1/4	8 1/4
WMB	1271	2 1/4	2 1/4	2 1/4

Dow Jones Bond Averages				
Bonds	Close	Chg.	Bonds	Chg.
Bonds	92.29	+0.05	Bonds	+0.05
Utilities	92.29	+0.05	Utilities	+0.05
Industrials	92.29	+0.05	Industrials	+0.05

NYSE Diary				
Advanced	High	Low	Close	Chg.
Advanced	251	251	251	+22
Industrials	251	251	251	+22
Technology	251	251	251	+22
Finance	251	251	251	+22

Odd-Lot Trading in N.Y.				
Buy	Sell	Buy	Sell	Buy
Buy	Sell	Buy	Sell	Buy
Buy	Sell	Buy	Sell	Buy
Buy	Sell	Buy	Sell	Buy

Dow Jones Averages				
Open	High	Low	Close	Chg.
Open	192.48	192.48	192.48	+0.05
High	192.48	192.48	192.48	+0.05
Low	192.48	192.48	192.48	+0.05
Close	192.48	192.48	192.48	+0.05

Standard & Poor's Index				
	High	Low	Close	Chg.
Industrials	397.80	375.52	395.98	+0.46
Transport	71.56	71.56	71.56	+0.00
Utilities	142.48	141.44	141.90	+0.46
Finance	33.19	32.95	32.98	+0.03
S&P 500	348.17	344.44	344.55	+0.11
S&P 100	725.44	722.87	722.89	+0.02

NASDAQ Diary				
Advanced	High	Low	Close	Chg.
Advanced	251	251	251	+22
Industrials	251	251	251	+22
Technology	251	251	251	+22
Finance	251	251	251	+22

AMEX Stock Index				
High	Low	Close	Chg.	Chg.
379.59	378.01	378.83	-0.07	-0.07

Portugal Picks Modern System For 2 Bourses

LISBON — The two small bourses in Lisbon and Oporto, seeking to catch up with the rest of Europe, said Tuesday that they would install an 800 million escudo (\$4.9 million) unified electronic system by May 1990 to modernize their inefficient stock trading.

Officials said the two bourses would be linked by a new information system.

The Telegas system, the same used by the Rio de Janeiro exchange in Brazil, was chosen over the rival Cals system used in Toronto after months of deliberations.

Unlike other exchanges that have continuous trading in long sessions, share prices in Lisbon and Oporto are now fixed only once during the four-hour trading period.

Wall Street Stocks Finish Mixed

NEW YORK — Stock prices closed narrowly mixed Tuesday on the New York Stock Exchange, after two favorable U.S. economic reports failed to produce a sustainable rally.

The Dow Jones industrial average, which rose 12.92 points Monday, gave back 0.19 to close at 2,637.31.

Among broader market indicators, the New York Stock Exchange composite index added 0.03 of a point to 292.46, while Standard & Poor's 500-stock index added 0.18 to 346.55. The price of an average share gained 1 cent.

Advances edged declines by a narrow margin. Big Dow volume increased to about 141.6 million shares from the 136.9 million traded Monday.

Stock prices rose at the opening after the government said U.S. consumer prices held steady in August, while housing starts declined 0.5 percent, suggesting inflation subsided as the economy's growth slowed modestly last month.

In late trading, stock prices pulled back from their morning peaks and succumbed to waves of program selling before rebounding somewhat by the close.

Chester Pado, director of technical research at Jefferies & Co. in Los Angeles, said, "The economic backdrop is positive, but we'll probably see more back and forth action in prices until we see an actual easing in interest rates."

In other news, Campeau Corp., which has relied heavily on junk bonds to fund takeovers, said it obtained financing to start meeting its liquidity needs for a restructuring.

Indications that the Canadian real estate market had been unable to satisfy certain credit obligations triggered a sell-off among takeover issues last week amid concerns over leveraged buyouts.

That selling has since eased, allowing many takeover issues to rebound, but analysts said concerns over Campeau's dilemma were lingering.

"The panic selling we saw last week made a permanent impact on merger mania," said Mr. Goldman.

In NYSE trading, Avon Products was the most active issue, losing 2 to 31 1/2. Avon cut its earnings estimate for 1989 from \$2.30 to \$2.40 a share to \$1.95 to \$2.15 a share as a result of softening sales trends.

Portland General (trading ex-dividend) followed, easing 1/4 to 23 1/4. Niagara Mohawk Power was third, rising 1/4 to 14.

World Stock Markets

London				
Open	High	Low	Close	Chg.
Open	192.48	192.48	192.48	+0.05
High	192.48	192.48	192.48	+0.05
Low	192.48	192.48	192.48	+0.05
Close	192.48	192.48	192.48	+0.05

World Stock Markets

Tokyo				
Open	High	Low	Close	Chg.
Open	192.48	192.48	192.48	+0.05
High	192.48	192.48	192.48	+0.05
Low	192.48	192.48	192.48	+0.05
Close	192.48	192.48	192.48	+0.05

U.S. Futures

Grains				
Wheat	High	Low	Close	Chg.
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05

U.S. Futures

Food				
Wheat	High	Low	Close	Chg.
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05

U.S. Futures

Metals				
Wheat	High	Low	Close	Chg.
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05

U.S. Futures

Livestock				
Wheat	High	Low	Close	Chg.
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05
Wheat	192.48	192.48	192.48	+0.05

Currency Options

PILAGELPNA EXCHANGE				
Option	High	Low	Close	Chg.
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05

Currency Options

PILAGELPNA EXCHANGE				
Option	High	Low	Close	Chg.
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05
Option	192.48	192.48	192.48	+0.05

London Commodities

Cocoa					Sep. 19		Previous	
	High	Low	Close	Chg.	Chg.	High	Low	
SUGAR								
U.S. dollars per metric ton								
Dec	213.09	214.0	214.0	214.0	214.0	213.60	213.60	
Mar	212.00	212.00	212.00	212.00	212.00	211.60	211.60	
May	206.20	206.20	206.20	206.20	206.20	205.80	205.80	
Aug	205.20	205.20	205.20	205.20	205.20	204.80	204.80	
Oct	203.20	203.20	203.20	203.20	203.20	202.80	202.80	
Nov	202.20	202.20	202.20	202.20	202.20	201.80	201.80	
Dec	201.20	201.20	201.20	201.20	201.20	200.80	200.80	
Jan	200.20	200.20	200.20	200.20	200.20	199.80	199.80	
Feb	199.20	199.20	199.20	199.20	199.20	198.80	198.80	
Mar	198.20	198.20	198.20	198.20	198.20	197.80	197.80	
Apr	197.20	197.20	197.20	197.20	197.20	196.80	196.80	
May	196.20	196.20	196.20	196.20	196.20	195.80	195.80	
Jun	195.20	195.20	195.20	195.20	195.20	194.80	194.80	
Jul	194.20	194.20	194.20	194.20	194.20	193.80	193.80	
Aug	193.20	193.20	193.20	193.20	193.20	192.80	192.80	
Sep	192.20	192.20	192.20	192.20	192.20	191.80	191.80	
Oct	191.20	191.20	191.20	191.20	191.20	190.80	190.80	
Nov	190.20	190.20	190.20	190.20	190.20	189.80	189.80	
Dec	189.20	189.20	189.20	189.20	189.20	188.80	188.80	
Jan	188.20	188.20	188.20	188.20	188.20	187.80	187.80	
Feb	187.20	187.20	187.20	187.20	187.20	186.80	186.80	
Mar	186.20	186.20	186.20	186.20	186.20	185.80	185.80	
Apr	185.20	185.20	185.20	185.20	185.20	184.80	184.80	
May	184.20	184.20	184.20	184.20	184.20	183.80	183.80	
Jun	183.20	183.20	183.20	183.20	183.20	182.80	182.80	
Jul	182.20	182.20	182.20	182.20	182.20	181.80	181.80	
Aug	181.20	181.20	181.20	181.20	181.20	180.80	180.80	
Sep	180.20	180.20	180.20	180.20	180.20	179.80	179.80	
Oct	179.20	179.20	179.20	179.20	179.20	178.80	178.80	
Nov	178.20	178.20	178.20	178.20	178.20	177.80	177.80	
Dec	177.20	177.20	177.20	177.20	177.20	176.80	176.80	
Jan	176.20	176.20	176.20	176.20	176.20	175.80	175.80	
Feb	175.20	175.20	175.20	175.20	175.20	174.80	174.80	
Mar	174.20	174.20	174.20	174.20	174.20	173.80	173.80	
Apr	173.20	173.20	173.20	173.20	173.20	172.80	172.80	
May	172.20	172.20	172.20	172.20	172.20	171.80	171.80	
Jun	171.20	171.20	171.20	171.20	171.20	170.80	170.80	
Jul	170.20	170.20	170.20	170.20	170.20	169.80	169.80	
Aug	169.20	169.20	169.20	169.20	169.20	168.80	168.80	
Sep	168.20	168.20	168.20	168.20	168.20	167.80	167.80	
Oct	167.20	167.20	167.20	167.20	167.20	166.80	166.80	
Nov	166.20	166.20	166.20	166.20	166.20	165.80	165.80	
Dec	165.20	165.20	165.20	165.20	165.20	164.80	164.80	
Jan	164.20	164.20	164.20	164.20	164.20	163.80	163.80	
Feb	163.20	163.20	163.20	163.20	163.20	162.80	162.80	
Mar	162.20	162.20	162.20	162.20	162.20	161.80	161.80	
Apr	161.20	161.20	161.20	161.20	161.20	160.80	160.80	
May	160.20	160.20	160.20	160.20	160.20	159.80	159.80	
Jun	159.20	159.20	159.20	159.20	159.20	158.80	158.80	
Jul	158.20	158.20	158.20	158.20	158.20	157.80	157.80	
Aug	157.20	157.20	157.20	157.20	157.20	156.80	156.80	
Sep	156.20	156.20	156.20	156.20	156.20	155.80	155.80	
Oct	155.20	155.20	155.20	155.20	155.20	154.80	154.80	
Nov	154.20	154.20	154.20	154.20	154.20	153.80	153.80	
Dec	153.20	153.20	153.20	153.20	153.20	152.80	152.80	
Jan	152.20	152.20	152.20	152.20	152.20	151.80	151.80	
Feb	151.20	151.20	151.20	151.20	151.20	150.80	150.80	
Mar	150.20	150.20	150.20	150.20	150.20	149.80	149.80	
Apr	149.20	149.20	149.20	149.20	149.20	148.80	148.80	
May	148.20	148.20	148.20	148.20	148.20	147.80	147.80	
Jun	147.20	147.20	147.20	147.20	147.20	146.80	146.80	
Jul	146.20	146.20	146.20	146.20	146.20	145.80	145.80	
Aug	145.20	145.20	145.20	145.20	145.20	144.80	144.80	
Sep	144.20	144.20	144.20	144.20	144.20	143.80	143.80	
Oct	143.20	143.20	143.20	143.20	143.20	142.80	142.80	
Nov	142.20	142.20	142.20	142.20	142.20	141.80	141.80	
Dec	141.20	141.20	141.20	141.20	141.20	140.80	140.80	
Jan	140.20	140.20	140.20	140.20	140.20	139.80	139.80	
Feb	139.20	139.20	139.20	139.20	139.20	138.80	138.80	
Mar	138.20	138.20	138.20	138.20	138.20	137.80	137.80	
Apr	137.20	137.20	137.20	137.20	137.20	136.80	136.80	
May	136.20	136.20	136.20	136.20	136.20	135.80	135.80	
Jun	135.20	135.20	135.20	135.20	135.20	134.80	134.80	
Jul	134.20	134.20	134.20	134.20	134.20	133.80	133.80	
Aug	133.20	133.20	133.20	133.20	133.20	132.80	132.80	
Sep	132.20	132.20	132.20	132.20	132.20	131.80	131.80	
Oct	131.20	131.20	131.20	131.20	131.20	130.80	130.80	
Nov	130.20	130.20	130.20	130.20	130.20	129.80	129.80	
Dec	129.20	129.20	129.20	129.20	129.20	128.80	128.80	
Jan	128.20	128.20	128.20	128.20	128.20	127.80	127.80	
Feb	127.20	127.20	127.20	127.20	127.20	126.80	126.80	
Mar	126.20	126.20	126.20	126.20	126.20	125.80	125.80	
Apr	125.20	125.20	125.20	125.20	125.20	124.80	124.80	
May	124.20	124.20	124.20	124.20	124.20	123.80	123.80	
Jun	123.20	123.20	123.20	123.20	123.20	122.80	122.80	
Jul	122.20	122.20	122.20	122.20	122.20	121.80	121.80	
Aug	121.20	121.20	121.20	121.20	121.20	120.80	120.80	
Sep	120.20	120.20	120.20	120.20	120.20	119.80	119.80	
Oct	119.20	119.20	119.20	119.20	119.20	118.80	118.80	
Nov	118.20	118.20	118.20	118.20	118.20	117.80	117.80	
Dec	117.20	117.20	117.20	117.20	117.20	116.80	116.80	
Jan	116.20	116.20	116.20	116.20	116.20	115.80	115.80	
Feb	115.20	115.20	115.20	115.20	115.20	114.80	114.80	
Mar	114.20	114.20	114.20	114.20	114.20	113.80	113.80	
Apr	113.20	113.20	113.20	113.20	113.20	112.80	112.80	
May	112.20	112.20	112.20	112.20	112.20	111.80	111.80	
Jun	111.20	111.20	111.20	111.20	111.20	110.80	110.80	
Jul	110.20	110.20	110.20	110.20	110.20	109.80	109.80	
Aug	109.20	109.20	109.20	109.20	109.20	108.80	108.80	
Sep	108.20	108.20	108.20	108.20	108.20	107.80	107.80	
Oct	107.20	107.20	107.20	107.20	107.20	106.80	106.80	
Nov	106.20	106.20	106.20	106.20	106.20	105.80	105.80	
Dec	105.20	105.20	105.20	105.20	105.20	104.80	104.80	
Jan	104.20	104.20	104.20	104.20	104.20	103.80	103.80	
Feb	103.20	103.20	103.20	103.20	103.20	102.80	102.80	
Mar	102.20	102.20	102.20	102.20	102.20	101.80	101.80	
Apr	101.20	101.20	101.20	101.20	101.20	100.80	100.80	
May	100.20	100.20	100.20	100.20	100.20	99.80	99.80	
Jun	99.20	99.20	99.20	99.20	99.20	98.80	98.80	
Jul	98.20	98.20	98.20	98.20	98.20	97.80	97.80	
Aug	97.20	97.20	97.20	97.20	97.20	96.80	96.80	
Sep	96.20	96.20	96.20	96.20	96.20	95.80	95.80	
Oct	95.20	95.20	95.20	95.20	95.20	94.80	94.80	
Nov	94.20	94.20	94.20	94.20	94.20	93.80	93.80	
Dec	93.20	93.20	93.20	93.20	93.20	92.80	92.80	
Jan	92.20	92.20	92.20	92.20	92.20	91.80	91.80	
Feb	91.20	91.20	91.20	91.20	91.20	90.80	90.80	
Mar	90.20	90.20	90.20	90.20	90.20	89.80	89.80	
Apr	89.20	89.20	89.20	89.20	89.20	88.80	88.80	
May	88.20	88.20	88.20	88.20	88.20	87.80	87.80	
Jun	87.20	87.20	87.20	87.20	87.20	86.80	86.80	
Jul	86.20	86.20	86.20	86.20	86.20	85.80	85.80	
Aug	85.20	85.20	85.20	85.20	85.20	84.80	84.80	
Sep	84.20	84.20	84.20	84.20	84.20	83.80	83.80	
Oct	83.20	83.20	83.20	83.20	83.20	82.80	82.80	
Nov	82.20	82.20	82.20	82.20	82.20	81.80	81.80	
Dec	81.							

DM Futures Options

Sept. 19		Per Cent		Yr. to Date		Close		Ask		Bid	
High	192.48	192.48	192.48	192.48	+0.05	192.48	192.48	192.48	192.48	192.48	192.48
Low	192.48	192.48	192.48	192.48	+0.05	192.48	192.48	192.48	192.48	192.48	192.48
Close	192.48	192.48	192.48	192.48	+0.05	192.48	192.48	192.48	192.48	192.48	192.48
Chg.	192.48	192.48	192.48	192.48	+0.05	192.48	192.48	192.48	192.48	192.48	192.48

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

BUSINESS BRIEFS

Ferranti Negotiating Rescue Package

LONDON (Reuters) — Ferranti PLC said Tuesday it was negotiating a rescue package with British and foreign firms after discovering an apparent multimillion dollar fraud involving a U.S. unit, and the U.S. Defense Department said it was investigating the case.

The chairman, Sir Derek Alun-Jones, said Ferranti had suffered a loss of up to £150 million (\$235.4 million) in dubious contracts after its takeover of International Signal & Control. "There are four or five options," he said, including a partnership or sale of Ferranti.

Meanwhile, the French defense minister, Jean-Pierre Chevenement, said nothing stood in the way of Thomson-CSF making a bid for Ferranti.

Glaxo Boosts Earnings 20% for Year

LONDON (Reuters) — Glaxo Holdings PLC, the pharmaceuticals giant, announced Tuesday a 20 percent increase in pretax profit for the year ended June 30 to £1.0 billion (\$1.57 billion), compared with £832 million the previous year.

The result, which came on sales that rose to £2.57 billion from £2.05 billion the year before, was in line with market forecasts. Reflecting this, and on a perception that rising costs may pare future profits, Glaxo stock fell 53 pence in afternoon trading on the London Stock Exchange, to 1.833 pence.

Glaxo also proposed a one-for-one capitalization issue of new stock.

JAL and BA to Cooperate in Europe

TOKYO (Reuters) — Japan Airlines Co. and British Airways PLC will cooperate on some European routes, a JAL spokesman said Tuesday.

JAL plans to operate the London-Zurich, London-Rome and London-Madrid flights with Boeing 757 aircraft and crew supplied by BA. It will continue to operate Tokyo-London flights with its own aircraft and crew.

Leasing BA's aircraft and crew would cost less than operating intra-European flights with a long-range Boeing 747, he said.

Axa-Midi Shuffling Insurance Stakes

PARIS (Reuters) — The Axa-Midi insurance group of France is launching a share-swap offer for stakes it does not already own in several insurance units, a spokesman for the French stock exchanges association said Tuesday.

Shares in the units — Drouot Assurances, Presence Assurances, Presence Vie and Paternelle Risques Divers — were suspended from trading.

Axa-Midi was formed by the merger of Groupe Axa and Compagnie du Midi earlier this year.

New World Gets Loan to Buy Ramada

HONG KONG (Reuters) — New World Hotels (U.S.A.) Inc., a subsidiary of Hong Kong's New World Development Co., will use a \$280 million loan for its acquisition of U.S.-based Ramada Inc., one of the lead managers, Barclays PLC, said Tuesday.

Barclays said the one-year loan carries an interest rate of 0.375 of a point above the London interbank offered rate. The overall cost of the Ramada deal, due to be signed in New York next week, is \$540 million. New World U.S.A. was formed specifically to buy the hotel chain.

Hongkong Bank: A Bit Less Unique

HONG KONG (Reuters) — Hongkong and Shanghai Banking Corp. shareholders voted Tuesday to register the bank under the Hong Kong Companies Ordinance. The bank has been unique among Hong Kong-listed companies in that it operates under its own ordinance of 1866.

The chairman, William Purves, said the old system provided few privileges, apart from an exemption from stamp duty when the bank increased its capital, but was "an anomaly." He insisted that the change was not made to remove potential barriers should the bank decide to strengthen its relationship or merge with Britain's Midland Bank PLC, as analysts have suggested.

For the Record

Asahi Chemical Industry Co. is to buy into New Zealand's Wattie Frozen Foods, a unit of the Australasian food giant Goodman Fielder Wattie Ltd., a Goodman spokesman said Tuesday. The deal calls for Asahi's food division to immediately buy a 20 percent stake, adding a further 30 percent "in due course."

Nomura International PLC, a British unit of Nomura Securities Co., has bought a 5 percent stake in Matsushita Group Ltd. Partnership of West Germany, a spokesman for Nomura said in Tokyo. (Reuters)

IBM System to Help Campeau Gets Loan To Pay Debt

The Associated Press

NEW YORK — International Business Machines Corp. announced Tuesday a system for writing computer programs with the help of computer programs.

IBM, the world's biggest computer company, held a news conference to announce its commitment to computer-aided software engineering, which is intended to make software more reliable and faster to develop.

IBM said programs developed with its system, called AD-Cycle, also would all have the same look and feel, making them easier for users to learn how to use.

More than 30 companies expressed their support for IBM's blueprint, another demonstration of IBM's influence in the large computer business.

Disorganized writing of software has led to sprawling, patched-together, unmanageable programs that take up valuable programmers' time and stall innovation.

IBM said it would introduce in June a repository, or library, containing the information that all the different software engineering tools need to do their jobs. The repository will reside in the mainframe. Strict rules will ensure that all toolmakers structure their information in a consistent way.

The tools will help programmers at every stage, from the analysis of business problems, to the overall design of software solutions, to the automatic generation and testing of codes that actually do the job.

Sales of tools for computer-aided software engineering already total about \$300 million a year, even though fewer than 10 percent of

customers are even dabbling in it, according to CASE Research Corp. of Bellevue, Washington.

CASE Research expects sales to start jumping about a year from now when software toolmakers have brought their products into line with IBM's de facto industry standard.

At least five years will be required to achieve largely automatic programming, but IBM's commitment at least legitimizes the concept of it, consultants say.

"This is the Holy Grail," said Sam Albert, a consultant in Scarsdale, New York, and a former IBM software executive, in an interview Monday. "The software industry is committing itself to the IBM platform."

By automating, software toolmakers hope to keep programmers' hands off of the actual code so they deal only with the higher-level problems of analysis and design.

"A lot of research has shown that 60 to 70 percent of the problems in systems are in the analysis and design, so let's put our money where our problems are," Greg Boone, president of CASE Research, said Monday.

Unisys Corp. has promoted computer-aided software engineering for several years, but has a much smaller share of the big computer market than IBM. Digital Equipment Corp. has an uncertain strategy in the field, Mr. Boone said.

Hewlett-Packard, in contrast, is "sort of the quiet giant" in computer-aided software engineering, he said. The difference is that Hewlett-Packard is focusing on aerospace and defense electronics.

The Associated Press

NEW YORK — Campeau Corp., the ailing Canadian retailer, secured on Tuesday an emergency loan that will enable its department stores to pay debts but will force its founder, Robert Campeau, to cede control.

Campeau's problems, caused largely by obligations on its junk-bond debts, had raised doubts about the future of his company and upset the \$200 billion market in such high-risk, high-yield bonds.

Olympia & York Developments Ltd., which is providing the \$250 million loan, also obtained the power to steer Campeau through a major financial overhaul.

Olympia & York, owned by Toronto's Reichmann brothers, will be given three seats on a new 10-member Campeau board and the right to buy almost 16 million shares of the Canadian retail and property holding company.

The first portion of the loan became available immediately, Campeau said in an announcement from its Toronto headquarters. The agreement calls for up to \$150 million to be channeled to Campeau's Federated Department Stores Inc. and the remainder to its Allied Stores Corp.

The money will allow the department-store operators to meet interest payments now due on debts and to pay suppliers shipping merchandise ahead of the Christmas season.

Under the agreement with Olympia & York, a new board of directors was appointed. Its configuration reflects the amount of power that Robert Campeau has had to relinquish.

Japanese Firms Facing EC Levies

Compiled by Our Staff From Dispatches

BRUSSELS — The European Commission proposed on Tuesday a special levy on dot-matrix computer printers assembled and sold in the European Community by NEC Corp. and Star Micronics Co., asserting that the Japanese companies were circumventing special duties imposed on unfairly priced imported printers.

NEC and Star Micronics, both based in Britain, were among 11 Japanese-owned companies targeted by an EC inquiry into allegations by European manufacturers that the Japanese were evading anti-dumping duties by assembling dot-matrix computer printers at plants in Europe, using imported components.

The commission, the EC executive body, said it intended to im-

pose the levies under the community's so-called "screwdriver plant" law, which has led to a Japanese complaint at the General Agreement on Tariffs and Trade.

Under the law, a foreign company already penalized for dumping, or selling a product in the community below its domestic production or retail price, must provide at least 40 percent of the product's value from EC sources in its EC plant.

The commission said its investigation had cleared the nine other Japanese companies involved in the inquiry. European manufacturers of dot-matrix printers had alleged that the 11 companies were trying to evade anti-dumping duties imposed in November.

The EC Commission said the inquiry had cleared Citizen Manufac-

turers Ltd., Brother Industries Ltd., Matsushita Electronic Industrial Co. and OKI Electric Industries Ltd., all based in Britain; Fujitsu Espana SA in Spain, and Seikoshia (Europe) GmbH and Tek Elektronik in West Germany.

It said Epson Telford Ltd. of Britain and Epson Engineering SA of France, also were cleared because they reached the 40 percent threshold during the course of the investigation and had pledged not to fall below it again.

The EC Commission said it would ask the Council of Ministers, the top EC decision-making body, to apply anti-dumping duties per unit of 30 European Currency Units (\$31.58) for NEC and 14 ECUs for Star.

(Reuters, AFP)

BOND: Brewing Assets Sold Off

(Continued from first finance page)

subject to adjustments calculated by reference to the assets and liabilities of Australian Breweries on completion.

Financial analysts said Bond Corp. had to structure its interest in the joint venture so as to maintain 50 percent control of the brewing assets.

Otherwise, they said, it could trigger redemption of about 700 million dollars in Bond convertible notes, secured against the brewing assets.

The deal faces scrutiny by the National Companies and Securities Commission, the Australian Stock Exchange and possibly the Foreign Investment Review Board. But the Trade Practices Commission, an antitrust watchdog, said it saw "no problems" in the deal.

The sale will also have to go past Bell Resources shareholders.

Aviva Acquires Bond Oil Stake

Agence France-Press

LONDON — Alan Bond, the embattled Australian entrepreneur, has sold his 67.7 percent stake in the North West Australian Harrier oilfield to Aviva Petroleum for 220 million Australian dollars (\$170 million), Aviva said Tuesday.

Mr. Bond is to receive 135 million dollars immediately, with payment of the balance within a year.

For Aviva, a London-listed oil and gas investment company based in the United States, the deal represents more than four times its current market capitalization, shifting the emphasis of its oil and gas assets from North America to Australia.

DRUG: No Further Price Cuts for AIDS Treatment

(Continued from first finance page)

that virus in asymptomatic victims. To date, Wellcome has received approval in the United States and Britain to sell the drug only to those HIV-infected individuals suffering from advanced stages of the disease.

Approval of the drug's sale to all HIV-infected individuals — an issue before the U.S. Food and Drug Administration — would mean an expansion of the market for AZT from around 45,000 individuals to more than 650,000 in the United States alone.

U.S. health officials have encouraged this wider pool of individuals infected with the human immunodeficiency virus to seek AZT treatment following release of the findings of the clinical trial of AZT on asymptomatic AIDS sufferers.

The clinical trial, conducted by

the National Institute of Allergy and Infectious Diseases, indicated that AZT delayed the onset of AIDS and had unexpectedly few side effects among individuals whose immune systems were mildly impaired.

In a statement released late Monday, Wellcome said that the price decrease would "facilitate the access of more HIV infected individuals to Retrovir." It added, "The company believes that the expected growth in patient population, coupled with recent production economies, will reduce somewhat its financial risk."

Sir Alfred said that he thought "production efficiency" in the manufacture of AZT had already peaked at Wellcome. However, he said, the company faced significant costs in meeting further research

and development expenditure in the battle against AIDS, a mutating virus.

The Wellcome chairman said he thought FDA approval of AZT sales to asymptomatic sufferers could come "within months." He said Wellcome was well stocked to meet the demand.

Sir Alfred rejected criticism that Wellcome was engaged in "shameless profiteering," as one U.S. hospital administrator recently put it.

"I'm not at all convinced that the outside world knows the sheer sweat that went into this project," he said. "We're really trying to do the best we can to help in the treatment of this disease." But he said one thing was inescapable: "We have to have a bottom line. In everything we do, we have to operate as efficiently as we can."

Shearson Seeks Cellular Work

Reuters

NEW YORK — Shearson Lehman Hutton Inc. said Tuesday that through two separate joint ventures it had applied to build and operate radio telephone networks in West Germany and Britain.

Shearson has joined seven other companies to form a consortium called MobilTel to seek the German license.

Late last year, Shearson joined with Olivetti Ing. C. and Cellular Communications Inc. to form Eurocell Communications NV to apply for cellular systems in Europe. Eurocell recently joined eight other companies that have applied for a license to operate a system in Britain.

TODAY'S BUSINESS OBSERVATION:

Mixing business with pleasure has never been more natural.

THE HYATT TOUCH

HYATT REGENCY PUSAN

CONSTANT GROWTH IS AN ANCIENT TRADITION.

MONTE DEI PASCHI DI SIENA 1988 CONSOLIDATED BALANCE SHEET

	Lit. (billions)	US\$ (billions)
Deposits from customers	42,175	32,299
Capital Accounts	4,110	3,147
Loans and advances to customers	27,144	20,787
Investments & Securities	16,789	12,857
Net income available for distribution	224	171

The MPS Banking Group includes: Monte dei Paschi di Siena, Banca Toscana, Credito Commerciale, Credito Lombardo, Banco Valdostano, Istituto Nazionale di Credito per il Lavoro Italiano all'Estero and Italian International Bank.

Monte dei Paschi di Siena's 517th annual balance sheet repeats a long, long history of positive results. The figures are here in black and white. But what they don't reveal is the validity of the bank's global strategy, and services that can respond to the financial requirements of a clientele operating in the widest range of sectors. To its offices in New York, London, Paris, Frankfurt, Brussels, Moscow, Singapore, Cairo,



MONTE DEI PASCHI DI SIENA
MPS
BANK ESTABLISHED 1472

São Paulo, and in 1989 Madrid, Beijing and Tokyo; to all 500 branches in Italy and worldwide; and to major participating foreign banks, including the Banque du Sud, the United Bank for Africa and the Internationale Bank für Aussehenhandel, Monte dei Paschi di Siena brings its tradition of dynamic and innovative approaches. A tradition that has always achieved very positive results.

THE BANK THAT HAS BEEN GRANTING CREDIT TO THE FUTURE FOR FIVE CENTURIES.

The contents of this advertisement, for which the directors of Monte dei Paschi di Siena are solely responsible, have been approved for the purpose of Section 57 of the Financial Services Act 1986 by Ernst & Whinney, a firm authorized by the Institute of Chartered Accountants in England and Wales to carry on investment business.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

[illegible][illegible][illegible][illegible][illegible]

118	LAC	17	12	11/11/19	11:00	118	118
119	LAC	17	12	11/11/19	11:00	119	119
120	LAC	17	12	11/11/19	11:00	120	120
121	LAC	17	12	11/11/19	11:00	121	121
122	LAC	17	12	11/11/19	11:00	122	122
123	LAC	17	12	11/11/19	11:00	123	123
124	LAC	17	12	11/11/19	11:00	124	124
125	LAC	17	12	11/11/19	11:00	125	125
126	LAC	17	12	11/11/19	11:00	126	126
127	LAC	17	12	11/11/19	11:00	127	127
128	LAC	17	12	11/11/19	11:00	128	128
129	LAC	17	12	11/11/19	11:00	129	129
130	LAC	17	12	11/11/19	11:00	130	130
131	LAC	17	12	11/11/19	11:00	131	131
132	LAC	17	12	11/11/19	11:00	132	132
133	LAC	17	12	11/11/19	11:00	133	133
134	LAC	17	12	11/11/19	11:00	134	134
135	LAC	17	12	11/11/19	11:00	135	135
136	LAC	17	12	11/11/19	11:00	136	136
137	LAC	17	12	11/11/19	11:00	137	137
138	LAC	17	12	11/11/19	11:00	138	138
139	LAC	17	12	11/11/19	11:00	139	139
140	LAC	17	12	11/11/19	11:00	140	140
141	LAC	17	12	11/11/19	11:00	141	141
142	LAC	17	12	11/11/19	11:00	142	142
143	LAC	17	12	11/11/19	11:00	143	143
144	LAC	17	12	11/11/19	11:00	144	144
145	LAC	17	12	11/11/19	11:00	145	145
146	LAC	17	12	11/11/19	11:00	146	146
147	LAC	17	12	11/11/19	11:00	147	147
148	LAC	17	12	11/11/19	11:00	148	148
149	LAC	17	12	11/11/19	11:00	149	149
150	LAC	17	12	11/11/19	11:00	150	150
151	LAC	17	12	11/11/19	11:00	151	151
152	LAC	17	12	11/11/19	11:00	152	152
153	LAC	17	12	11/11/19	11:00	153	153
154	LAC	17	12	11/11/19	11:00	154	154
155	LAC	17	12	11/11/19	11:00	155	155
156	LAC	17	12	11/11/19	11:00	156	156
157	LAC	17	12	11/11/19	11:00	157	157
158	LAC	17	12	11/11/19	11:00	158	158
159	LAC	17	12	11/11/19	11:00	159	159
160	LAC	17	12	11/11/19	11:00	160	160
161	LAC	17	12	11/11/19	11:00	161	161
162	LAC	17	12	11/11/19	11:00	162	162
163	LAC	17	12	11/11/19	11:00	163	163
164	LAC	17	12	11/11/19	11:00	164	164
165	LAC	17	12	11/11/19	11:00	165	165
166	LAC	17	12	11/11/19	11:00	166	166
167	LAC	17	12	11/11/19	11:00	167	167
168	LAC	17	12	11/11/19	11:00	168	168
169	LAC	17	12	11/11/19	11:00	169	169
170	LAC	17	12	11/11/19	11:00	170	170
171	LAC	17	12	11/11/19	11:00	171	171
172	LAC	17	12	11/11/19	11:00	172	172
173	LAC	17	12	11/11/19	11:00	173	173
174	LAC	17	12	11/11/19	11:00	174	174
175	LAC	17	12	11/11/19	11:00	175	175
176	LAC	17	12	11/11/19	11:00	176	176
177	LAC	17	12	11/11/19	11:00	177	177
178	LAC	17	12	11/11/19	11:00	178	178
179	LAC	17	12	11/11/19	11:00	179	179
180	LAC	17	12	11/11/19	11:00	180	180
181	LAC	17	12	11/11/19	11:00	181	181
182	LAC	17	12	11/11/19	11:00	182	182
183	LAC	17	12	11/11/19	11:00	183	183
184	LAC	17	12	11/11/19	11:00	184	184
185	LAC	17	12	11/11/19	11:00	185	185
186	LAC	17	12	11/11/19	11:00	186	186
187	LAC	17	12	11/11/19	11:00	187	187
188	LAC	17	12	11/11/19	11:00	188	188
189	LAC	17	12	11/11/19	11:00	189	189
190	LAC	17	12	11/11/19	11:00	190	190
191	LAC	17	12	11/11/19	11:00	191	191
192	LAC	17	12	11/11/19	11:00	192	192
193	LAC	17	12	11/11/19	11:00	193	193
194	LAC	17	12	11/11/19	11:00	194	194
195	LAC	17	12	11/11/19	11:00	195	195
196	LAC	17	12	11/11/19	11:00	196	196
197	LAC	17	12	11/11/19	11:00	197	197
198	LAC	17	12	11/11/19	11:00	198	198
199	LAC	17	12	11/11/19	11:00	199	199
200	LAC	17	12	11/11/19	11:00	200	200

THE SECOND ANNUAL CONFERENCE
COSPONSORED BY THE
INTERNATIONAL HERALD TRIBUNE
AND
SKADDEN, ARPS, SLATE, MEAGHER & FLOM
LONDON, NOVEMBER 16, 1989

The pace of international mergers and acquisitions activity has quickened dramatically in the past year. European companies have continued their spending spree in the U.S., while Europe, and especially the U.K., has become a corporate battlefield. In addition, Japan has now become a major buyer in Europe as well as in the U.S.

American strategies and financing techniques are now used in tandem with business methods indigenous to Europe and Japan, and the legal terrain has become increasingly complex.

These developments have placed international mergers and acquisitions high on the agenda of corporate executives and public officials throughout the industrialized world. This second annual conference will examine the forces and techniques behind today's wave of international acquisitions, and will look ahead at how the public and private sectors will act to shape future developments.

- **Sir James Goldsmith**
- **Manfred Caspari**, Director General, Competition Policy, European Commission
- **Edith Cresson**, Minister for European Affairs, France
- **Joseph Flom**, Partner, Skadden, Arps, Slate, Meagher & Flom, New York
- **James Gulliver**, Chairman, James Gulliver & Associates, London
- **Jun Imanishi**, Managing Director, Morgan Stanley & Co. Inc., Tokyo
- **Robert M. Kimmitt**, U.S. Under Secretary of State for Political Affairs, Washington D.C.
- **Morris J. Kramer**, Partner, Skadden, Arps, Slate, Meagher & Flom, New York
- **Wm. Brian Little**, General Partner, Forstmann Little & Co., New York
- **Count Albrecht Matuschka**, Chairman, Matuschka Gruppe, Munich
- **Joseph Perella**, Chairman of the Board, Wasserstein, Perella & Co., New York
- **Piers von Simson**, Director, S.G. Warburg Group plc, London
- **Michael C. Stoddart**, Chairman, Electra Investment Trust plc, London
- **Pierre Suard**, Chairman, Compagnie Generale d'Electricite, Paris
- **Susumu Taketomi**, Joint General Manager, Investment Banking Dept., The Industrial Bank of Japan Ltd., Tokyo
- **James D. Wolfensohn**, President, James D. Wolfensohn Inc., New York

- The conference will deal with such issues as:
- What is the future of highly-leveraged acquisitions in the U.S. and Europe?
- How will Japanese companies use acquisitions to position themselves for 1992?
- How will continuing U.S. concerns over trade and competitiveness issues affect U.S. policy on foreign acquisitions in the U.S.?
- What does Europe have to teach the U.S. about acquisitions strategies and techniques?

Herald Tribune
INTERNATIONAL
 Established Since The First American Newspaper

For full details of the conference
 Send a fax to (441) 836 07 17
 Telex your full name and address to 262009
 Call Brenda Magerty on (441) 379 43 02
 Mergers & Acquisitions Conference
 International Herald Tribune
 63 Long Acre, London WC2E 9JH, England

(Continued on next page)

Deals Reflect Japanese Banks' Aim for Big U.S. Presence

By Patrick L. Smith
International Herald Tribune

TOKYO—The simultaneous purchases of substantial assets in the United States by two leading Tokyo commercial banks, in transactions totaling some \$3.3 billion, reflect an increasingly aggressive drive by Japanese institutions to expand abroad and to develop a particularly strong presence in the U.S. banking market, financial analysts said Tuesday.

And while neither of the new agreements is believed to press a sudden wave of Japanese takeovers in the U.S. financial industry, both are taken as indications of the readiness of Japanese banks to compete in the United States by taking advantage of weaknesses among their U.S. counterparts, or by assuming control of low-margin assets from banks that have judged them unpromising.

The acquisition by Dai-ichi Kangyo Bank Ltd. of the financial-services unit of Manufacturers Hanover Trust Co., as well as 4.9 percent of the U.S. bank's common stock, marks the first purchase by a Japanese bank of a sizable interest in a U.S. money-center institution.

The agreement between the two banks—Dai-ichi Kangyo will pay \$1.28 billion for 60 percent of CIT Group Inc. and \$120 million for the stock in Manufacturers Hanover—represents a belated effort by the largest and weakest of Japan's leading commercial banks to advance into the U.S. market, financial analysts said.

Daiwa Bank Ltd.'s \$1.6 billion purchase of the U.S. banking operations of Lloyds Bank PLC is based on similar ambitions, they said. But Daiwa's move is also seen as a measure of the caution Japanese banks are exercising to avoid controversy generated recently by high-profile acquisitions of real estate and industrial assets by Japanese investors.

The two agreements rank as the most expensive commitments Japanese financial institutions have made abroad. Both transactions, announced late Monday, are typical of a

"brains and brawn" pattern in Japanese banking activities abroad. Not unlike the combination sought by U.S. policy planners in the wider context of a global financial partnership, Japanese banks are sending capital overseas to marry it with foreign expertise.

"Neither of these deals came as much of a surprise," said Eric Rasmussen, chief economist at Jardine Fleming (Securities) Ltd. "They set some precedents, but it's part of a trend among the Japanese."

Although Dai-ichi takes evident pride in its status as the world's largest bank in terms of assets, it has been notable in the Japanese industry chiefly for its sluggishness, its inability to evolve and its failure to rationalize the combined operations of the two banks that formed it through a merger in 1971.

Analysts said that while the bank's management had already made efforts to improve Dai-ichi Kangyo's performance, executives appeared to have been galvanized by the merger last month of Mitsubishi Bank Ltd. and Tokyo-Mitsubishi Bank Ltd. into the world's second-largest banking institution in asset terms.

In the financial year ended March 31, Dai-ichi Kangyo reported total assets of \$4.28 trillion yen (\$37.12 billion), an increase of almost 17 percent from the previous year. But its results by most other measures ranked it near the bottom among Japan's 12 leading "city" banks, its principal competitors.

Measured by current accounting standards, Dai-ichi Kangyo had a return on equity of 12.3 percent in the year, putting it fourth among Japanese commercial banks. Applying more stringent standards that are to take effect this month, Dai-ichi Kangyo's pretax profits last year are estimated at 164 billion yen, compared with 242 billion yen for Sumitomo Bank Ltd., the industry leader.

As in other transactions bringing Japanese banks to the United States, Dai-ichi Kangyo's goals are to increase the breadth of its operations and to improve its ability to compete in increasingly sophisticated global markets.

Kuniji Miyazaki, Dai-ichi's president, suggested that executives from the Tokyo commercial bank would be dispatched to CIT, a diversified lending and leasing concern that ranks ninth among U.S. finance companies.

"We are confident that this acquisition will allow us to render improved financial services to our Japanese, U.S. and worldwide customers," said an official statement.

But Dai-ichi also suffers a reputation as a poorly managed institution in the United States, analysts in Tokyo said. Its New York branch has faced legal charges of discrimination in the past, and the bank is typical of many Japanese concerns operating abroad in training foreign executives rigorously but providing virtually no opportunity for advancement.

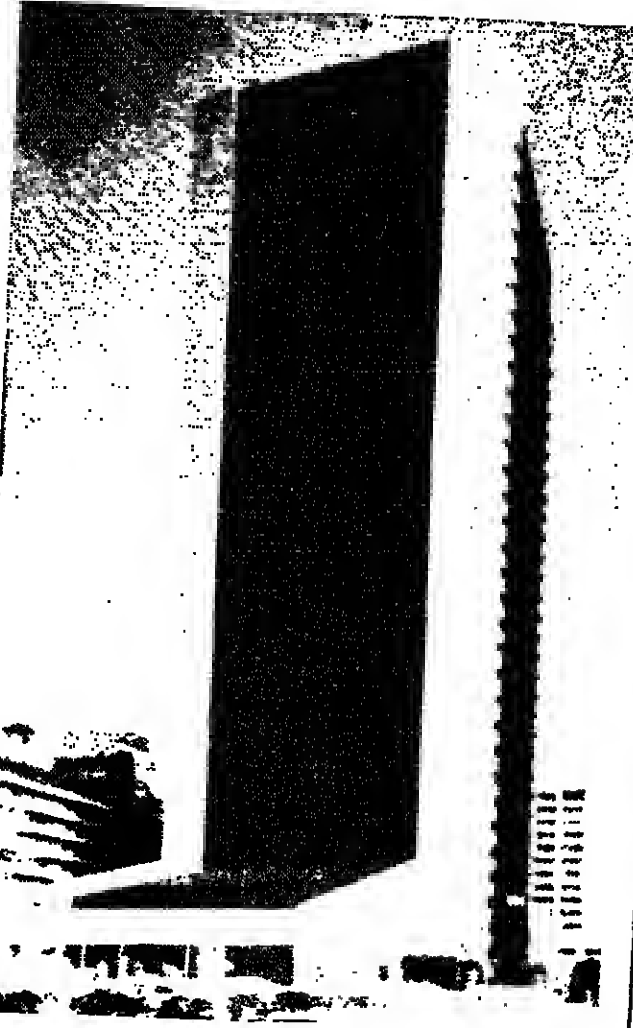
"It's going to be a steep learning curve for Dai-ichi," said Alicia Ogawa, senior financial analyst at S.G. Warburg Securities (Japan) Inc. "They have a lot of ground to cover, but even more than that they may have a hard time keeping the CIT staff in place."

For Daiwa Bank, its acquisition of the 15-branch network established by Lloyds Bank in the United States ranks as its most significant step overseas to date.

Daiwa is the third Japanese bank in the past three years to enter the U.S. market or increase its position there by acquiring the assets of a foreign institution. Sanwa Bank Ltd. paid \$263 million in 1986 for Lloyds Bank California, a separate operation of the British parent bank; last year Bank of Tokyo bought Union Bank of Los Angeles from Standard Chartered PLC for \$750 million.

Whatever the commercial logic of these acquisitions, banking analysts said, they also demonstrate the sensitivity with which Japanese banks are expanding their U.S. presence.

"Banking is not the same as manufacturing television sets," said Robert G. Zielinski, the banking analyst at Jardine Fleming. "It's a regulated industry, and the Japanese want to be careful not to upset the balance."



The headquarters building of Dai-ichi Kangyo Bank in Tokyo.

Executive Barbs Reflect U.S.-Japanese Tension

By John Holusha
New York Times Service

SAN FRANCISCO—Tensions over the trade imbalance between the United States and Japan produced some unusually blunt exchanges between chief executives gathered here for a conference on the outlook for manufacturing industries.

Akio Morita, the co-founder and chairman of Sony Corp., said 50 percent of U.S. imports from Japan were now high-technology machinery and devices like microchips.

"The fact that the United States is losing its competitiveness in so many areas of high-tech manufacturing suggests that something is fundamentally amiss in American industry," he said.

Mr. Morita said that because of the emphasis by Americans on short-term financial results, U.S. manufacturers had not made investments that would pay off in the long term.

But a top U.S. executive chastised Japanese industry, and Mr. Morita directly, for what he said was Japan's resistance to imports.

"The fact is that Japan remains a virtually impenetrable market for many foreign businesses," said Edward L. Hennessy Jr., the chairman of Allied-Signal Inc.

Referring to a new book by Mr. Morita and Shintaro Ishihara, a Liberal Democratic Party politician who was a candidate for prime minister in August, entitled "The Japan That Can Say No," Mr. Hennessy added, "Instead of a Japan that can say 'no,' all of us need a Japan that can say 'yes' to open markets."

In the book, the authors suggested that Japan could use U.S. dependence on it for high-technology components as leverage in trade disputes.

Mr. Morita and Mr. Hennessy spoke at the International Industrial Conference, a meeting held every four years to assess the outlook for manufacturing industries. It is sponsored by the Conference Board, a business research group, and SRI International, a research and consulting organization.

According to the organizers, it is being attended by executives and government officials from 31 countries, including the Soviet Union and Hungary.

Judging from questions posed to a panel of experts, the major concerns of executives appeared to be: increasingly stringent environmental standards, the development of trade blocs and changing social patterns.

"Burdens on companies will change in the 1990s," said Tore Browaldh, a Swedish banker who is the honorary chairman of Svenska

Handelsbanken. "There will be a shift from economic growth to the environment, health and safety for workers and women's rights."

The participants agreed that environmental issues would become an increasingly contentious issue between industrialized countries and those just beginning their economic development.

Saburo Okita, a former Japanese foreign minister, said "developing countries are not signing the Montreal Protocol." This is a protocol that seeks to reduce the use of chemicals known as chlorofluorocarbons, which damage the Earth's ozone layer.

Newly developing countries, Okita said, felt industrialized nations could afford to use less of these substances, while they could not do so until they were economically advanced.

Mr. Okita also said Asian nations were increasing their cooperation efforts in response to the Canadian trade treaty and European Community's plans for economic integration after 1992.

Brazil Misses Payment of \$1.6 Billion

By Paul Blustein

WASHINGTON—Brazil failed to make \$1.6 billion in interest payments to creditor banks due today, a development that raises the ranks of countries that cannot fulfill their obligations.

The decision by Brazil to suspend payment comes one year after the end of a moratorium on debt payments that began in February.

Brazilian officials had been portraying the banks for the debt as a prudent lender, rather than a creditor, in a move meant to defuse criticism.

Brazil's finance minister, Antonio Carlos Nogueira, is scheduled to meet with a committee representing banks on Thursday, and the Brazilians are hoping they may be able to reach an agreement with the International Monetary Fund that would enable the country to resume interest payments.

Nevertheless, the development underscores how Brazil has fallen behind such major debtors as Mexico and the Philippines in its efforts to turn around its finances.

BANQUE DE L'UNION EUROPEENNE

U.S. \$50,000,000 Floating Rate Notes 1979-1989

In accordance with the terms and conditions of the Notes, the rate of interest has been fixed at 9 1/4% per annum for the interest period running from September 20th to December 20th 1989.

PERU: Hyperinflation, Terrorism and Capital Flight

(Continued from first finance page)

the army is given wide powers to combat the guerrillas.

Fearing kidnapping or assassination, many wealthy Peruvians have quietly moved members of their families to Miami, Paraguay or Chile, and businesses have spent large sums to hire armed guards to protect workers and factories.

Still, such measures are not always effective. In the first four months of this year, terrorist attacks cost Centromin Peru SA, the state mining giant, \$12 million in stolen or damaged equipment.

In mid-July, guerrillas from the Shining Path group used dynamite to destroy machinery at Peru's most important mine, Morococha. Following the attack, the mine will be shut through September.

With the costs of security running into millions of dollars a year,

several mining companies have scaled back operations and canceled new investments.

Terrorism has also hurt tourism, the nation's third-largest source of foreign exchange behind fishing and mining. In two separate incidents in May, Shining Path terrorists killed three European tourists—one British man and a West German couple.

As a result of the deteriorating situation, badly needed capital is fleeing to safer locations.

"There is no flight of capital from Peru—there is expulsion of capital," said Ramon Remolina, president of the Lima chamber of commerce and a bitter critic of Mr. Garcia Perez's policies.

Much of the capital outflow has found its way to neighboring Chile, which many Peruvians see as a model of enlightened economic policies.

Despite a \$100 exit tax for Peru-

vians, airplane flights from Lima to Santiago are often heavily overbooked. Peruvian business executives are quietly setting up factories, hotels and restaurants in the Chilean capital.

In 1988, the Chilean economy grew 7.4 percent, and in the first half of this year it started a sixth consecutive year of expansion with growth of 10.4 percent.

Though Chile has two hyperinflationary neighbors, Peru and Argentina, its prices have risen by just 11.2 percent since January.

This comparatively attractive environment has also helped to accelerate the pace of Peruvian flight capital into Chile.

In 1988, Peru accounted for a small trickle of the \$1.6 billion of foreign investment that flowed into Chile. But in the first half of this year, Chile has received \$652 million of new investment from Peru.

Mexico to Sell State Stake In Telephone Monopoly

New York Times Service

MEXICO CITY—Mexican government officials say that the state intends to put its majority stake in Telefonos de Mexico, the country's troubled, unpopular telecommunications monopoly, up for sale in the next few days.

In a speech to the national telephone workers' union, President Carlos Salinas de Gortari said that "the workers can no longer be left in suspense" about their future and ordered the authorities to make a final decision about the company by the end of this week.

A government official said that the privatization of the company "is a fact" and will be made public before the end of the month. The sale of Telmex, in which the government took a 51 percent share in 1972, has been expected and would be politically popular.

In May, the government put its majority stake in Mexicana de Aviacion, its flag carrier, up for sale, and last month the state-owned Cananea Mining Co. was declared bankrupt.

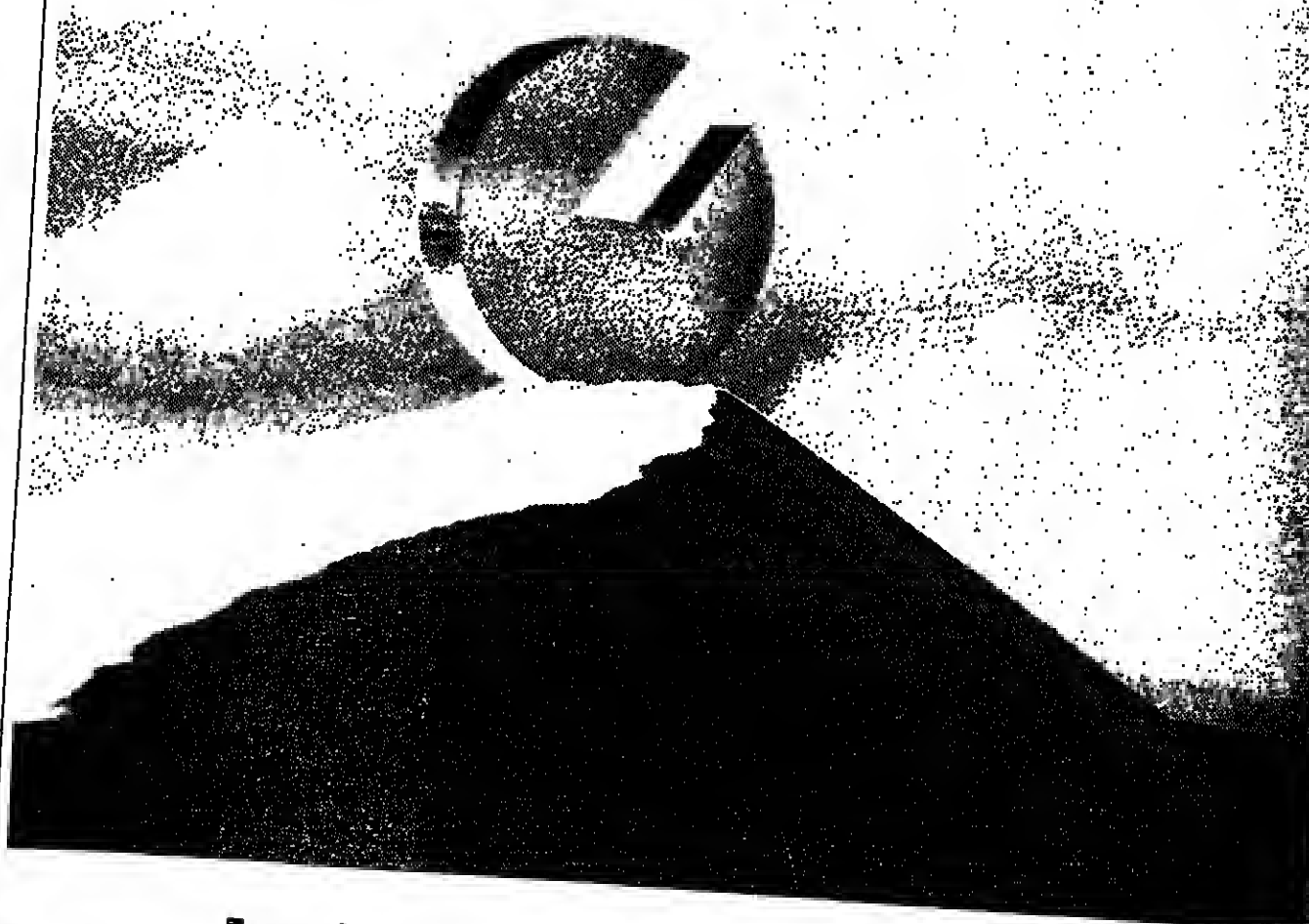
With a population of 85 million people and a gross national product nearing \$200 billion, Mexico has the 14th-largest economy in the world. But with only 4.9 telephone lines per 100 people, the country ranks 82nd worldwide, according to a recent study.

Distinction

Rarely awarded, always treasured.



Ballantine's
17 Years Old



From the right vantage point, your vistas extend to even distant markets. Let's look them over together.

The deeper your insights into a country and its economy, the better your prospects in international business. Take intelligence on optimum modes of payment and methods of financing, for instance. To support your foreign commitment successfully, your bank partner must be able to provide such information firsthand.

That's why DG BANK has steadily expanded its international network of branches and subsidiaries in major financial centers. In addition, we maintain correspondent relations with some 4,500 banks worldwide. As a member of the UNICOM Banking Group, DG BANK cooperates closely with six large West European banks.

DG BANK 1988 - Key Group Figures	
Business Volume	DM 139.8 billion
Total Assets	DM 132.6 billion
Deposits	DM 80.8 billion
Bonds and Notes Issued	DM 42.9 billion
Loans	DM 87.9 billion

To its international presence, DG BANK adds a universal range of services: from foreign exchange cover to Euroloans, from export financing to bond issues, from investment counselling to assistance in entering new markets. Whatever your needs, our fast-action policy ensures that you rapidly get together with the right people and lose no time in analyzing all the

risks and opportunities.

DG BANK London Branch, 10 Aldgate Street, London EC1A 4XX, England. Telephone (1) 7266791, Telex 886647, Telex (1) 6081857.

Head Office: DG BANK, P.O. Box 100651, Am Platz der Republik, D-6000 Frankfurt am Main 1, Federal Republic of Germany. Telephone (69) 7447-01, Telex 412291, Telex (69) 7447-1685/1688.

Offices in: New York, Los Angeles, Atlanta, Rio de Janeiro, Hong Kong, Singapore, Kuala Lumpur, Amsterdam, Luxembourg, Zurich, Geneva, Monte Carlo, Moscow, Budapest, Bucharest. The broadly based Bank.

DG BANK

**Tuesday's
AMEX
Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

12 Month												12 Month											
Year	Month	Stock	Div	Yld	P/E	5m	10m	Low	P	PA	Chge	Year	Month	Stock	Div	Yld	P/E	5m	10m	Low	P	PA	Chge
1976	1	100	0	0	15	11	11	11	11	11	11	1976	1	100	0	0	15	11	11	11	11	11	11
1976	2	100	0	0	15	11	11	11	11	11	11	1976	2	100	0	0	15	11	11	11	11	11	11
1976	3	100	0	0	15	11	11	11	11	11	11	1976	3	100	0	0	15	11	11	11	11	11	11
1976	4	100	0	0	15	11	11	11	11	11	11	1976	4	100	0	0	15	11	11	11	11	11	11
1976	5	100	0	0	15	11	11	11	11	11	11	1976	5	100	0	0	15	11	11	11	11	11	11
1976	6	100	0	0	15	11	11	11	11	11	11	1976	6	100	0	0	15	11	11	11	11	11	11
1976	7	100	0	0	15	11	11	11	11	11	11	1976	7	100	0	0	15	11	11	11	11	11	11
1976	8	100	0	0	15	11	11	11	11	11	11	1976	8	100	0	0	15	11	11	11	11	11	11
1976	9	100	0	0	15	11	11	11	11	11	11	1976	9	100	0	0	15	11	11	11	11	11	11
1976	10	100	0	0	15	11	11	11	11	11	11	1976	10	100	0	0	15	11	11	11	11	11	11
1976	11	100	0	0	15	11	11	11	11	11	11	1976	11	100	0	0	15	11	11	11	11	11	11
1976	12	100	0	0	15	11	11	11	11	11	11	1976	12	100	0	0	15	11	11	11	11	11	11
1977	1	100	0	0	15	11	11	11	11	11	11	1977	1	100	0	0	15	11	11	11	11	11	11
1977	2	100	0	0	15	11	11	11	11	11	11	1977	2	100	0	0	15	11	11	11	11	11	11
1977	3	100	0	0	15	11	11	11	11	11	11	1977	3	100	0	0	15	11	11	11	11	11	11
1977	4	100	0	0	15	11	11	11	11	11	11	1977	4	100	0	0	15	11	11	11	11	11	11
1977	5	100	0	0	15	11	11	11	11	11	11	1977	5	100	0	0	15	11	11	11	11	11	11
1977	6	100	0	0	15	11	11	11	11	11	11	1977	6	100	0	0	15	11	11	11	11	11	11
1977	7	100	0	0	15	11	11	11	11	11	11	1977	7	100	0	0	15	11	11	11	11	11	11
1977	8	100	0	0	15	11	11	11	11	11	11	1977	8	100	0	0	15	11	11	11	11	11	11
1977	9	100	0	0	15	11	11	11	11	11	11	1977	9	100	0	0	15	11	11	11	11	11	11
1977	10	100	0	0	15	11	11	11	11	11	11	1977	10	100	0	0	15	11	11	11	11	11	11
1977	11	100	0	0	15	11	11	11	11	11	11	1977	11	100	0	0	15	11	11	11	11	11	11
1977	12	100	0	0	15	11	11	11	11	11	11	1977	12	100	0	0	15	11	11	11	11	11	11

London Dollar Rates

Closing	Tue.	Mon.
Deutsche mark	1.986	1.975
Pound sterling	1.575	1.590
Japanese yen	145.77	145.70
Swiss franc	1.680	1.688
French franc	6.598	6.585

Source: Reuters

central banks on Friday to drive the dollar lower.

The U.S. currency closed

consumer prices and housing starts cooled down in August, with zero inflation at the retail level and housing construction at a six-month low.

The Labor Department said consumer prices were unchanged in August from a month earlier, due to falls in the prices of gasoline and clothing. The unchanged inflation rate, coming after two straight months of 0.2 percent rises, was the most encouraging since a 0.3 percent drop in April 1986.

Construction starts of new U.S.

comes, meanwhile, fell by a sharp 5 percent in August, the largest drop in six months, the Commerce Department said. The figure surprised economists, who were expecting it to stay unchanged from July.

to stay unclassified from July.

September 19 1989

Quotations supplied by funds listed. Not asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.

The financial symbols indicate frequency of quotations supplied: (D) - daily; (W) - weekly; (B) - bi-monthly; (F) - quarterly; (M) - twice monthly; (M) - monthly

AS - Australian Dollars; BF - Belgian Francs; CA - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lit - Italian Lira; LF - Luxembourg Francs; P-senat, Flus, Pesens; SF - Swiss Francs; Y-Yenka; o-Other Prices N.A. - Not Available; M.C. - Not Communicated; G-New; S-Suspended; S/S - Stock
S-Equivalent; B-Bid; C-Cash; D-Deliverable; F-Future; H-Holdings; I-Interest; J-Jointly; K-Known; L-Liquidation; M-Market; N-Not; O-Other; P-Paid; R-Rate; S-Sale; T-Tax; U-Underwritten; V-Variety; W-Warrant; X-X-
Y-Z, in which case you are found in their names or initials. Tel. Circles: ORPOM at 612055 for further information.



SPORTS

Court Rules
U.S. Won
Yacht Cup

Compiled by Our Staff From Dispatches
NEW YORK — A New York State appeals court ruled Tuesday that Dennis Conner's Stars and Stripes was the winner of the 1988 America's Cup, reversing a lower court verdict that had disqualified the San Diego boat and awarded yachting's premier trophy to New Zealand.

The Appellate Division of New York State Supreme Court said that a declaration is made "that San Diego's catamaran was an eligible yacht, that it was the winner of the two races held on Sept. 7 and 9, 1988, for the America's Cup, and that San Diego... is entitled to the America's Cup."

New Zealand's Mercury Bay Boating Club had indicated earlier that it would appeal any reversal of the lower court ruling that disqualified the San Diego Yacht Club for sailing the 60-foot catamaran (18.3-meters) against the 132-foot monohulled sloop New Zealand.

The five-judge appeals court, by a vote of 4 to 1, agreed with San Diego's lawyers, who had argued in June 8 that a lower court had no basis for ruling in March that the competitors must be "somewhat evenly matched."

The appeals court said the term "somewhat evenly matched" is "neither expressed in, nor inferable from, the language of the Deed of Gift."

"We believe that even if the Deed of Gift were to be construed so as to bar the use of a catamaran in defense of the cup against a monohull, the drastic remedy of forfeiture was unwarranted," the appeals court wrote.

It also said the Deed of Gift never established rigid rules, but, "on the contrary, its terms emphasize the broad latitude granted the defender, which is permitted to feel 'any one yacht or vessel constructed in the country holding the cup.'"

The rules for the America's Cup are set out in the Deed of Gift, which was filed with a New York state court after the cup was won by the New York Yacht Club schooner America in 1951.

Justice Carmen Ciparick had ordered San Diego to forfeit the cup for taking "the unprecedented course of defending in a catamaran."

The New Zealand merchant banker Michael Fay, the owner of New Zealand, filed the suit after Stars and Stripes, skippered by Conner, easily won the series off San Diego by a 2-0 margin in the best-of-three series.

The cup remains locked in a bank vault in New York, where it was put by court order last March. The dispute began in 1987 when Conner, who in 1983 became the first American skipper to lose the trophy after it had been in U.S. hands for 132 years, regained it from Australia.

However, the San Diego crew departed from precedent by leaving Australia without setting the terms and dates for the next challenge, opening the door for Fay to set his conditions.

Fay departed from the traditional 12-meter yachts and opted for a new, huge boat in which he had a big lead in technology. San Diego countered with a high-tech catamaran.

After legal wrangling by both sides, Ciparick ordered them to sail the sail first and seek courtroom action later. When Fay went back to the court after the races, she disqualified San Diego and awarded the trophy to New Zealand.

She said that the Deed of Gift prohibited a mismatch such as last September's series between a twin-hulled catamaran, which in effect skips over the water, and a sloop, which ploughs through the waves.

However, San Diego's attorney told the appeals court that the rules stated only that the competing vessels must be propelled by just sails and must measure between 44 and 90 feet at the waterline.

The next series had been scheduled to take place in New Zealand in 1992, with all contestants agreeing on a new class of yacht 75 feet long yet 27 percent lighter than the 12-meter boats.

By Steve Fiffer

New York Times Service

CHICAGO — Two innings into last Tuesday night's game here between the Chicago Cubs and the Montreal Expos, the Bleacher Bums put down one of his many signs that exhort the hometown heroes and left his lucky seat to conduct some very important business.

He hurried over to three well-dressed young men — they looked like bankers or lawyers — standing in the aisle one section over.

The preacher, who works in the sports promotion field and whose given name is Jerry Pritikin, did not know the men. But in the Wrigley Field bleachers, few formalities are observed.

"Listen, fellows," he said pleasantly but firmly, "the rule is you're not allowed to wear ties up here. Take 'em off."

When the young men ignored the sermon, the preacher could only shake his head and lament that the Cubs' stunning success this season has brought an undesirable element to the bleachers.

In past Septembers, when the Cubs were out of the playoff picture and the kids were back in

Wrigley Bleacher Bums: Besieged by Cubs' Success

school, the bleachers were delightfully uncrowded, populated only by diehard fans who, Pritikin said, "have a loyalty one game at a time and love enjoying baseball in a beautiful ballpark."

But now that the team is winning, the "suit crowd," as another regular calls it, is invading the 35 seats just as it has invaded the red-hot real estate market in the area surrounding the ballpark.

"It's amazing," said Nick Wagener, who estimates he has been in the bleachers for 35 games this season. "The bleacher ticket is the cheapest seat in the house, but everyone wants one. They're going for \$25 on the street and people are willing to trade box seats straight up for a seat out here."

While the regulars would no longer trade their cherished tickets than they would trade Ryan Sandberg or any of the Cubs who have led this year's assault on the first World Series appearance since 1945, the invasion of the suit crowd has created something of a dilemma for the long-suffering faithful.

Wagener works in the accounting department of a large law firm but makes sure to change into blue jeans, sweatshirt and Cubs cap before coming to the park, so he can disassociate himself from the suit crowd.

"It's frustrating for the regulars to have people jump on the bandwagon," he said, "the people who leave in the seventh inning or when the team's losing. 10-0. How can you call yourself a fan if you leave?"

The 52-year-old Pritikin was wearing his usual outfit, a solar-powered pith helmet with a propeller attached to a plastic bear cub and a T-shirt reading, "How do you spell Bleat? C-U-B-S."

He seeks out non-believers in the crowd, fans of other clubs, and tries to convert them to Cub fans. He even has a ceremony to perform if the fans agree to switch allegiances. This, he became known as the Bleacher Preacher.

Still, for Wagener, Pritikin and most of the other regulars, known to the outside world as the

Bleacher Bums, the bottom line is they would be willing to tolerate ties if the Cubs can win.

A look at the standings suggests that a division title is inevitable, but the fans, haunted by the September swoon to the miracle New Mets Mets 20 years ago and the shocking playoff loss to the San Diego Padres in 1984, require more than magic numbers to be persuaded that their Boys of Zimmer will be playing baseball after Oct. 1.

Thus it was that Jon Goldfine, 16, a high school junior who has sat in the right-field bleachers for more than 70 games this season, said: "Even though they were about 10 games out going into September in both 1987 and 1988, I thought they had a better chance of winning the division those years. This year I've just been waiting for them to blow it."

Goldfine said that when he grows up he wants to have a job with hours permitting attendance at Wrigley Field.

Joe Mantegna, the Tony Award-winning actor

and a lifelong Cub fan who conceived and co-wrote "The Bleacher Bums," a play about the Wrigley Field faithful, understands young Goldfine's skepticism.

"In 1969, I walked confidently and got kicked in the face," he said from New York, where he is filming a movie. "In 1984, I walked on eggshells, and the eggshells got crushed. This year? Forget it! I'll be the happiest guy in the world if they win, but I can't set myself up for the fall if they don't."

Mantegna was a bleacher regular for years, and "The Bleacher Bums," which premiered in 1977 and has been revived to excellent reviews here this season, grew out of his love and respect for the "fans that come to the ballpark every day, even at the end of the season when it's 30 degrees out."

One of those fans is Carmela Hartigan, 87, who has not missed a home game in five years. "I don't play bingo and I don't play cards," said Hartigan, who must take two buses to get to the ballpark.

"Some of my neighbors think I'm crazy. Why the bleachers? Explained Hartigan: "As Bill Veck said, 'The sun is hotter and the beer is colder.'"



Juan Samuel beat the tag of the Cubs' first baseman, Mark Grace, on a pickoff throw but the Mets did not fare as well. They lost, 10-6.

Cub Reliever Gives Mets Coup de Grace

Compiled by Our Staff From Dispatches

The Chicago Cubs won what was left of one battle for first place in the National League East when they spotted the New York Mets three early runs in Chicago, came storming back with 10 of their own, chased Frank Viola inside six innings and overpowered the Mets by 10-6, knocking them 6 1/2 games out of first place with only 13 to play.

The coup de grace Monday night was delivered in the eighth inning by Mitch Williams, the Cubs' flamboyant relief pitcher, when he got

his first hit in the big leagues: a three-run home run off Don Aase, the fourth pitcher for the Mets.

"It just hit my bat," quipped Williams. "This is fun!"

And when the Mets loaded the bases minutes later with two down in the ninth, two runs across and Darryl Strawberry swinging for a melodramatic tie, Williams ended the contest by striking him out.

That kept the Cubs five games ahead of the second-place St. Louis Cardinals, who edged the fading Montreal Expos. The Cubs' victory

was their seventh in nine games this month against their chief rivals: the Cardinals, Mets and Expos.

In the West, the San Francisco Giants remained five games ahead of the San Diego Padres and Houston Astros as all three were idle.

An error and bases-empty home runs by Greg Jeffries and Strawberry made it 3-0 after three. But the Cubs came storming back in the fifth when Mark Grace's single and Jeffries' error got them two runs.

Then Luis Salazar, who arrived only three weeks ago from the Padres, hammered a pitch from Viola

deep into the seats in left-center for two runs and a 4-3 lead that the Cubs would not lose.

Cardinals 3, Expos 2: Milt Thompson doubled with the bases loaded in the second to give St. Louis a 2-0 lead in Montreal and Tony Pena batted in the eighth.

Jose DeLeon pitched a two-hitter for seven innings, leaving in the eighth with the bases loaded and none out.

Pirates 6, Phillies 2: Bobby Bonilla drove in three runs in Pittsburgh as the Pirates won for the ninth time in 11 games. (NYT, WP, AP)

Boddicker Defeats Jays, Giving Former Team, Orioles, a Hand

Compiled by Our Staff From Dispatches

Needing help to stay in contention for the American League East pennant, the Baltimore Orioles have received one gift from an old friend and several from their new foes.

With former Oriole mainstay Mike Boddicker scattering seven hits over seven innings and with the Toronto Blue Jays not hitting with runners in scoring position, the Orioles closed the gap to two games in the standings as the Boston Red Sox defeated the Blue Jays, 6-3, Monday night in Toronto.

The Blue Jays, who had been three games ahead in the loss column, began the night having played one fewer game than the Orioles. Each team now has 11 left, the last three against each other in Toronto.

In the West, the California Angels' eighth victory in their last 10 games kept them within 2 1/2 games of the division-leading Oakland Athletics, but the Kansas City Royals lost to fall 3 1/2 back.

The Blue Jays had at least one runner in scoring position in the second through seventh innings as well as in the ninth, and in five of those innings that opportunity was there with less than two outs.

But Boddicker stiffened each time and turned over a 6-3 lead to Rob Murphy. The left-handed reliever pitched a perfect eighth, then left runners on first and second in the ninth to earn his eighth save.

The Blue Jays paid for their wastefulness in the third. With finesse, power and an error by second baseman Nelson Lirio, the Red Sox batted around and scored five

runs off John Cerutti. The last two came on Nick Esasky's towering fly to right that carried just beyond the fence for his 28th home run.

Athletics 4, Indians 2: Dave Henderson singled home Lance Blankenship with the lead run in the 10th, and Tony Phillips added an RBI single in Cleveland. Dennis Eckersley got the victory after allowing a game-tying home run to Brook Jacoby in the ninth, which again stopped starter Dave Stewart from getting his 20th victory.

Last Wednesday, Stewart's try to become the first pitcher to win 20 games in three consecutive years since Jim Palmer in 1975-78 ended when Eckersley gave up a two-run home run in the ninth to Milwaukee's Greg Vaughn.

Angels 6, Twins 3: Chili Davis contributed two hits in Minneapolis, one a three-run homer, and Bert Blyleven pitched eight innings for his 16th victory. The right-hander

gave up just one run on seven hits and two walks while striking out four of his former teammates.

White Sox 4, Royals 2: Reliever Jeff Montgomery's throwing error allowed a three-run rally in the ninth in Kansas City.

Tom Gordon and Steve Crawford held the White Sox to three hits for eight innings, but Ivan Calderon singled to start the ninth and scored on Carlton Fisk's double for a 2-2 tie.

After Daryl Boston walked, pinch hitter Steve Lyons followed with a sacrifice bunt to Montgomery, who threw the ball past third base as two runners scored.

Rangers 5, Mariners 2: Fred Manrique's two-run double in the eighth broke a tie in Arlington, Texas. Nolan Ryan pitched into the eighth, striking out just two, before Ceciliano Cuatrecasas went one inning for the victory. (WP, AP, UPI)

Thrift Cleared of Steinbrenner Charges

The Associated Press

NEW YORK — Syd Thrift and his former assistant, Jim Bowden, have been cleared of charges that they stole scouting records from the Pittsburgh Pirates when they left and went to the New York Yankees.

"We have looked into" the allegations, Bill Murray of the commissioner's office said Monday in a statement. "At this time, we see no reason to continue to pursue this issue."

Thrift was fired as the Pirates' general manager at the end of the 1988 season and Bowden quit the next day. Thrift was hired by the Yankees last March as senior vice president and Bowden joined him.

After Thrift quit the Yankees on Aug. 29, their owner, George Steinbrenner, fired Bowden and said that he had heard that the two might have taken the records. But sources in the commissioner's office said that Steinbrenner was the first to raise the issue.

Defense Builds a 21-Point Lead
In Broncos' 28-14 Upset of Bills

The Associated Press

ORCHARD PARK, New York — Denver's big-play defense, with interceptions from Wymon Henderson and Tyrone Braxton, helped build a 21-0 lead and the Broncos held on for a 28-14 upset of the Buffalo Bills on Monday night in a National Football League game.

The Broncos, who had lost 10 of their last 11 Monday night road games and their last eight on artificial turf, turned all those negatives around with some positive defense.

Just as in their opening victory over Kansas City, they forced turnovers and turned them into points.

"We've always got somebody coming up with a big play when we need it," said Braxton, a cornerback. "Our rule is to be consistent, don't give up big plays and make the big plays ourselves. We have confidence in ourselves."

The defense, which ranked 22d in the NFL last year, contributed two points on a first-quarter safety and set up 13 more points on John Elway's nine-yard pass to Vance Johnson and David Treadwell's field goals of 46 and 24 yards.

The rookie kicker also was good from 33 and 22 yards.

Then Jim Kelly, using a burly offense, quarterbacked the Bills on drives of 77 and 66 yards against a suddenly confused defense. But the

Broncos again came up with crucial plays after Elway was intercepted early in the fourth quarter.

Mark Kelso picked off Elway's overthrown pass at the Buffalo 31 and Kelly got the Bills to the Denver 41. Then Simon Fletcher sacked Kelly, Braxton — who scored on an interception return the previous week — broke up a pass to Ronnie Harmon in the end zone and rookie Warren Powers sacked Kelly.

Elway hit Johnson for 25 yards on third-and-12, then scrambled for 31 yards to the Buffalo 5, from where rookie Bobby Humphrey scored to silence the crowd of 78,176 at the first prime time game in Buffalo since 1984.

"It got a little scary there when they went into the hunch-up offense," nose tackle Greg Kragen said. "But we had a lot of confidence that we could shut down the Bills."

■ 2 Quarters on Broken Leg Linebacker Bryan Finkle of the Pittsburgh Steelers, injured in the second quarter of the 42-10 loss Sunday in Cincinnati, unknowingly played more than two quarters with a fractured fibula in his right leg. The Associated Press reported from Pittsburgh.

Finkle, who started the Steelers' last 70 games, will be out indefinitely. "It's a fracture in the non-weight bearing bone in the leg and it's very

painful," the Steelers' coach, Chuck Noll, said Monday.

■ Giants Lose Dorsey The New York Giants' happiness over winning their first two games of the season was tempered Monday when they learned that Eric Dorsey, their starting left defensive end, has been lost for the season with a broken foot. The New York Times reported.

■ Michigan Has 3 Injured Michigan's loss Saturday to Notre Dame was even more costly than first thought, The Associated Press reported from Ann Arbor, Michigan.

The Wolverines, who probably lost any hope for a national championship, will be without quarterback Michael Taylor, fullback Jarrod Bunch and perhaps without offensive guard Dean Dingman when they play UCLA on Saturday.

Taylor, who suffered a bruised back against Notre Dame, also has a swollen arm. His condition will be listed as "week-to-week" following Saturday's game, said the coach, Bo Schembechler.

Bunch injured a knee in the 24-19 loss to the top-ranked Fighting Irish. Dingman, who played the entire game, has lost 30 of his 292 pounds (132 kilograms) in a bout with strep throat.

WORLD LEADERS



Congratulations to Eddie Lawson on winning his fourth 500cc Grand Prix World Championship — clinched at the 1989 Brazilian Grand Prix.

Rothmans and Honda, leaders, partners and winners in Grand Prix Motorcycling.

Rothmans HONDA



SCOREBOARD

FOOTBALL

College Top 25

The top 25 teams in The Associated Press college football poll, with first-place votes in parentheses. Records, 1989 season. (AP)

Rank	Team	Record	Points	First-Place Votes
1	Notre Dame (9)	2-0	1,077	1
2	Michigan (13)	2-0	1,024	3
3	Nebraska	2-0	1,008	4
4	Alabama	2-0	1,000	5
5	Michigan State	2-0	1,218	6
6	Cornell	2-0	1,166	7
7	Arkansas	2-0	1,000	8
8	West Virginia	2-0	920	9
9	Syracuse	2-0	848	10
10	Washington	2-0	790	11
11	Southern Cal	1-1-0	740	12
12	Pittsburgh	2-0	704	14
13	Penn State	2-0	696	17
14	Alabama	1-0	640	16
15	Ole Miss	2-0	624	18
16	Houston	1-0	471	19
17	North Carolina St.	2-0	448	19
18	Washington St.	2-0	430	20
19	Utah	2-0	314	10
20	Arizona	2-0	259	22
21	Georgia Tech	2-0	250	23
22	Oregon	2-0	244	24
23	Arizona State	2-0	232	25
24	UCLA	1-1-0	180	26
25	Ole Miss	1-0	182	27

HOCKEY

NHL Preseason

Monday's Results
Pittsburgh 5, Los Angeles 1
N.Y. Islanders 5, N.Y. Rangers 2
Montreal 5, Quebec 4

BASEBALL

Major League Standings

AMERICAN LEAGUE
East Division

Team	W	L	Pct.	GB
Toronto	61	66	.500	0
Baltimore	61	70	.465	4
Minnesota	74	74	.500	4 1/2
Boston	74	76	.493	4 1/2
New York	68	82	.450	10 1/2
Cleveland	67	83	.447	10 1/2
Detroit	57	94	.377	24

West Division

Team	W	L	Pct.	GB
Oakland	60	69	.465	0
California	67	63	.519	2 1/2
Kansas City	64	64	.500	3 1/2
Texas	76	73	.510	12
Minnesota	76	74	.509	12 1/2
Seattle	66	83	.443	23
Chicago	64	88	.422	28 1/2

NATIONAL LEAGUE
East Division

Team	W	L	Pct.	GB
Chicago	67	65	.507	0
St. Louis	60	70	.462	5
New York	78	71	.522	6 1/2
Montreal	71	77	.479	13 1/2
Pittsburgh	67	80	.453	18 1/2
Philadelphia	61	89	.405	24

West Division

Team	W	L	Pct.	GB
San Francisco	61	64	.485	0
Houston	61	69	.468	5
San Diego	61	69	.468	5
Los Angeles	72	78	.480	14
Cincinnati	70	80	.467	16
Atlanta	58	92	.387	28

TRANSACTIONS

Baseball

AMERICAN LEAGUE
Minnesota — Renewed contract of Tom Kelly, manager, through 1991 season.

SEATTLE — Named Tom Jones, manager of Colorado, Pacific Coast League.

NATIONAL LEAGUE
Seattle — Signed Dave Borzua, second, to four-year contract plus option year.

FOOTBALL
Dallas — Signed Roy Alexander, wide receiver, and Kevin Liff, defensive lineman, Put Cornell Burback, wide receiver, on injured reserve. Released John Duff, tight end, off injured reserve and Sean Smith, defensive tackle.

KANSAS CITY — Activated Shaheen Paine, wide receiver, Put Angela Bensen, linebacker, on injured reserve.

Canadian Football League
Hamilton — Moved Mike Dicks, offensive tackle, from injured list to practice roster. Traded Scott Flegel, defensive back, to Ottawa for Ron Roberts, cornerback.

WRESTLING
World Championships

(In Athens)

U.S. Needs a Suslov

Imagine the agony of politicians. How much longer can they get re-elected by declaring the other party's candidates "soft" on a communism that no longer scares anyone? Seeing the Soviet Union brought to economic ruin by communism's dogmatism and stupidity, Americans may soon be more likely to feel pity than terror.

Suslov, America has need of thee this hour.

New York Times Service

Jackson traversed the United States on his motorcycle, investigating the local, temporal, working world and making the "Jesse Jackson" bumper sticker carries him in a smaller geographic Jackson while his writings continue to make a wide arc.

Jackson tolerated an interview last month (note taking "better than tape," he said), and offered Italian coffee and his omniscient outlook with patrician grace. But after request for his birth date, mischief slid across his face. "Why do you want to know?" he asked coyly. "Do you want to send me a present?"

"He's a trickster," said Marc Treib, a professor of architecture at the University of California at Berkeley.



Barbara Bush dedicated George H.W. Bush Elementary School in Midland, Texas, where the Bushes lived for 11 years in the 1950s and '60s. Then she visited one of the school's two kindergarten classes where she was introduced to a brown and white guinea pig named George Bush. The first lady was then shown a hermit crab. "I am not going to ask you the crab's name after," she said, but there was no

TODAY'S INTERNATIONAL BUSINESS MESSAGE CENTER

Appears on page 10

PERSONALS

BY THE SACRED HEART OF JESUS and St. Jude, I am offering prayers for all who are in need. I am also offering prayers for the souls of the departed. I am also offering prayers for the souls of the departed. I am also offering prayers for the souls of the departed.

LOW COST FLIGHTS

ACCES VOYAGES

One Way	Round Trip
New York \$1000	\$2000
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1200	\$2400
Washington \$1200	\$2400
Montréal \$1200	\$2400
Calgary \$1200	\$2400
Edmonton \$1200	\$2400
Winnipeg \$1200	\$2400
Regina \$1200	\$2400
Saskatoon \$1200	\$2400
Victoria \$1200	\$2400
Seattle \$1200	\$2400
Portland \$1200	\$2400
San Diego \$1200	\$2400
Phoenix \$1200	\$2400
Denver \$1200	\$2400
Las Vegas \$1200	\$2400
Albuquerque \$1200	\$2400
San Antonio \$1200	\$2400
Fort Worth \$1200	\$2400
Dallas \$1200	\$2400
Houston \$1200	\$2400
San Jose \$1200	\$2400
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1200	\$2400
Washington \$1200	\$2400
Montréal \$1200	\$2400
Calgary \$1200	\$2400
Edmonton \$1200	\$2400
Winnipeg \$1200	\$2400
Regina \$1200	\$2400
Saskatoon \$1200	\$2400
Victoria \$1200	\$2400
Seattle \$1200	\$2400
Portland \$1200	\$2400
San Diego \$1200	\$2400
Phoenix \$1200	\$2400
Denver \$1200	\$2400
Las Vegas \$1200	\$2400
Albuquerque \$1200	\$2400
San Antonio \$1200	\$2400
Fort Worth \$1200	\$2400
Dallas \$1200	\$2400
Houston \$1200	\$2400
San Jose \$1200	\$2400
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1200	\$2400
Washington \$1200	\$2400
Montréal \$1200	\$2400
Calgary \$1200	\$2400
Edmonton \$1200	\$2400
Winnipeg \$1200	\$2400
Regina \$1200	\$2400
Saskatoon \$1200	\$2400
Victoria \$1200	\$2400
Seattle \$1200	\$2400
Portland \$1200	\$2400
San Diego \$1200	\$2400
Phoenix \$1200	\$2400
Denver \$1200	\$2400
Las Vegas \$1200	\$2400
Albuquerque \$1200	\$2400
San Antonio \$1200	\$2400
Fort Worth \$1200	\$2400
Dallas \$1200	\$2400
Houston \$1200	\$2400
San Jose \$1200	\$2400
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1200	\$2400
Washington \$1200	\$2400
Montréal \$1200	\$2400
Calgary \$1200	\$2400
Edmonton \$1200	\$2400
Winnipeg \$1200	\$2400
Regina \$1200	\$2400
Saskatoon \$1200	\$2400
Victoria \$1200	\$2400
Seattle \$1200	\$2400
Portland \$1200	\$2400
San Diego \$1200	\$2400
Phoenix \$1200	\$2400
Denver \$1200	\$2400
Las Vegas \$1200	\$2400
Albuquerque \$1200	\$2400
San Antonio \$1200	\$2400
Fort Worth \$1200	\$2400
Dallas \$1200	\$2400
Houston \$1200	\$2400
San Jose \$1200	\$2400
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1200	\$2400
Washington \$1200	\$2400
Montréal \$1200	\$2400
Calgary \$1200	\$2400
Edmonton \$1200	\$2400
Winnipeg \$1200	\$2400
Regina \$1200	\$2400
Saskatoon \$1200	\$2400
Victoria \$1200	\$2400
Seattle \$1200	\$2400
Portland \$1200	\$2400
San Diego \$1200	\$2400
Phoenix \$1200	\$2400
Denver \$1200	\$2400
Las Vegas \$1200	\$2400
Albuquerque \$1200	\$2400
San Antonio \$1200	\$2400
Fort Worth \$1200	\$2400
Dallas \$1200	\$2400
Houston \$1200	\$2400
San Jose \$1200	\$2400
San Francisco \$1200	\$2400
Los Angeles \$1200	\$2400
Atlanta \$1200	\$2400
Dallas \$1200	\$2400
Chicago \$1	

AUTO RENTALS

Tourist & Diplomat Sales

We live on this planet by courtesy of the earth's plant-life. Plants protect soils from erosion, regulate the atmosphere, maintain water supplies and prevent deserts forming. Without plants man could not survive.


Yet, we're destroying the tropical rain forests they grow in at the rate of 50 acres a minute - making a crisis for ourselves and a bigger one for our children.

What can be done about it?

A practical international plant conservation programme is now well under way all around the world. It is a plan for survival which you can help make a reality by joining the World Wide Fund for Nature.

We need your voice and financial support. So get in touch with your local WWF office or send your contribution direct to the World Wide Fund for Nature at:

WWF International, CH-1196 Gland, Switzerland.

 **Save the plants that save us.**

WWF FOR WORLD CONSERVATION

WWF acknowledges with thanks the donation of this space by International Herald Tribune. Advertisement prepared as a public service.

c.